



DRAFT UMZUMBE 2015/16  
ANNUAL REPORT

## Contents

<b>Chapter 1 Mayor's Foreword and Executive Summary .....</b>	<b>1</b>
Mayor's Foreword and Executive Summary .....	1
<b>Municipal Managers Overview .....</b>	<b>3</b>
Municipal Functions, Population and Environmental Overview .....	6
Demographics .....	8
Service Delivery Overview.....	11
<b>Proportion of Households with minimum level of Basic services .....</b>	<b>16</b>
Financial Health Overview .....	16
ORGANIZATIONAL DEVELOPMENT OVERVIEW.....	17
AUDITOR GENERAL REPORT.....	19
Statutory Annual Report Process .....	20
<b>Chapter 2: Governance .....</b>	<b>21</b>
2.1. Component A: Political and Administrative Governance.....	22
2.2 Administrative Governance .....	25
<b>Component B: Intergovernmental Relations .....</b>	<b>27</b>
2.3. Intergovernmental Relations.....	27
<b>Component C: Public Accountability and Participation .....</b>	<b>28</b>
2.4. Public Meetings .....	28
2.5 IDP Participation and Alignment.....	29
<b>Component D: Corporate Governance .....</b>	<b>29</b>
2.6. Risk Management .....	29
2.7 Anti – Corruption and Fraud.....	30
2.8 Supply Chain Management.....	31
2.9 Websites.....	31
2.10 Public Satisfaction on municipal Services.....	31
<b>Chapter 3 – Service Delivery Performance (Performance Report Part 1) .....</b>	<b>32</b>
<b>Component A: Basic Services .....</b>	<b>32</b>
3.1 Water Provision. ....	32
3.2 Waste water (Sanitation) Provision.....	32
3.3 Electricity .....	33
3.4 Waste management (Refuse collection, waste disposal, street cleaning and recycling) .....	33
3.5 Housing.....	34

3.6 Free Basic Services and indigent support .....	38
<b>Component B: Road Transport .....</b>	<b>39</b>
3.7 Roads .....	39
3.8 Transport (vehicle licensing and Public bus Operation) .....	44
3.9 Waste Water (Storm water Drainage) .....	45
<b>Component C: Planning and Development .....</b>	<b>46</b>
3.10 Development Planning .....	46
3.11 Local Economic Development .....	51
<b>Component D: Community and Social Services .....</b>	<b>55</b>
3.12 Libraries; Archive's; Museums; Galleries; Community facilities; other .....	55
3.13 Child Care; Aged Care; Social Progrmmes .....	55
<b>Component E: Environmental Protection .....</b>	<b>55</b>
3.14 Bio-diversity; landscape (Incl. Open Spaces); and other (EG Coastal Protection) .....	55
<b>Component F: Health .....</b>	<b>57</b>
3.15 Clinics .....	57
3.16 Ambulance Services .....	58
3.17 Health Inspection; Food and Abattoir Licensing and Inspection; .....	58
<b>Component G Security and Safety .....</b>	<b>58</b>
3.18 Police .....	58
3.19 Fire .....	58
3.20 (Disaster Management, Animal Licensing and Control, Control of Public Nuisances and other)	
3.21 Sport and Recreation .....	59
<b>Component I: Corporate Policy Offices and Other Services .....</b>	<b>61</b>
3.22 Executive and Council .....	61
3.23 Financial Services .....	62
3.24 Human Resource Services .....	63
3.25 Information and Communication Technology (ICT Services) .....	64
3.26 Property; Legal; Risk Management and Procurement Services .....	64
<b>Component J: Miscellaneous .....</b>	<b>65</b>
Component K: Organisational Performance Scorecard .....	66
<b>Chapter 4 : Organizational Development Performance .....</b>	<b>85</b>
4.1 Employee Totals, Turnover and Vacancies .....	85
Component B: Managing the Municipal Workforce .....	85

4.2 Polices .....	86
4.3 Injuries, Sickness and Suspensions .....	86
4.4 Performance Rewards .....	87
<b>Component C: Capacitating the Municipal Workforce .....</b>	<b>88</b>
4.5 Skills Development and Training .....	88
<b>Component D: Managing the Workforce Expenditure .....</b>	<b>89</b>
4.6 Employee Expenditure.....	89
<b>Chapter 5 – Financial Performance.....</b>	<b>89</b>
<b>Component A : Statements of Financial Performance.....</b>	<b>89</b>
5.1 Statements of Financial Performance .....	90
5.2 Grants .....	92
5.3 Asset Management.....	92
5.4 Financial Ratios Based on Key Performance indicators .....	93
5.5 Capital Expenditure .....	93
5.6 Sources of Finance .....	96
5.7 Capital Spending on 5 Largest Projects.....	97
5.8 Basic Service and Infrastructure Backlogs – Overview .....	97
<b>Component C: Cash Flow Management and Investment .....</b>	<b>97</b>
5.9 Cash Flow.....	97
5.10 Borrowing and Investment .....	98
5.11 Public Private Partnerships.....	99
<b>Component D: Other Financial Matters .....</b>	<b>99</b>
5.12 Supply Chain Management.....	99
5.13 GRAP Compliance .....	99
<b>Chapter 6 – Auditor General Audit Findings .....</b>	<b>99</b>
<b>Component A : Auditor –General Opinion of Financial Statements Year 1 .....</b>	<b>99</b>
6.1 Auditor –General Reports Year – 1 (Previous Year).....	99
<b>Component B: Auditor – General Opinion Year 0 (Current Year) .....</b>	<b>100</b>
6.2 Auditor General Report Year 0.....	100
Glossary.....	106
<b>Appendices .....</b>	<b>109</b>
Appendix A - Councillors; Committee Allocation and Council Attendance .....	109
Appendix B – Committees and Committee Purposes.....	111

Appendix C – Third Tier Administrative Structure .....	113
Appendix D – Functions of Municipality /Entity .....	113
Appendix E – Ward Reporting.....	114
Appendix F – Recommendations of the Municipal Audit Committee Year 0 .....	120
Appendix g: audit committee meetings.....	120
Appendix h – Revenue Collection Performance by Vote and by Source .....	138
Appendix I (ii) Revenue Collection Performance by Source .....	139
Appendix J – Conditional Grants Received: Excluding MIG .....	141
Appendix L – Capital Expenditure – Upgrade / Renewal Programme .....	141
Appendix M – Capital Programme by Project Year 0.....	142
Appendix N – National and Provincial Outcomes for Local Government.....	145
Volume II: Annual Financial Statement.....	146
Oversight Report.....	190

## Chapter 1 Mayor's Foreword and Executive Summary

### Mayor's Foreword and Executive Summary



#### Mayor's foreword annual report 2015/2016

This annual report concludes the final pages of our 5 year IDP. The genesis of our service delivery journey commenced in 2011. We now are preparing for the upcoming local government elections. It is very important that every eligible citizen register to vote and vote. This goes a long way in ensuring that our equitable share is equal to the people who reside at Umzumbe Municipality. Not registering to vote gives a wrong impression about the number of people who reside in our locality.

Over the past 5 years, our municipality has shown great signs of growth. This was evidence in the massive levels of construction and renovations ranging from roads, community halls, crèches, sports fields and others. Our services extended to giving school uniforms to school children in our

dress a child programme, providing relief in time of distress to many families and providing registration fees up to R4000 per student to first year university students.

Our confidence grew with time and we felt that we can do even bigger things. We commissioned the construction of the Nkanini Indoor Sports Centre. The project costs over R40 million rand. It is the first of its kind for the Lower South Coast. It is a marvel to watch. It will go a long way in creating jobs and developing young sporting talents at Umzumbe Municipality. With this project phase one being completed, we are well underway with phase 2 and we anticipate constructing these indoor sports centres in all clusters. These Indoor sports centres consists of soccer pitch, netball, volleyball and other sports codes.

In all these things that were happening we showed that we are a learning and growing municipality. Over the past few years we have been receiving unqualified audit opinion from the Auditor General. We had to up our game and deal with the issues that the Auditor General was raising. Serious efforts by our administration and ourselves doing political oversight we managed to get the Clean Audit Opinion last financial year. I think the biggest challenge yet was to maintain the Clean Audit. We had to make sure that we do not take for granted the issues and drop the ball. We managed to get another Clean Audit opinion from the AG. Our hard work also earned us the Best Performing Small Municipality at the MEC Excellence awards. This cemented all our belief that indeed we are doing great work. We want to continue on this mantra and ensure that we continue improving people's lives. As we prepare to craft a new IDP, please sure that you are part of it.

Thank you to all who was part of this IDP. I thank Amakhosi, government departments, other municipalities, communities, staff, NGOs and all structures. We still have a very long way to go in advancing people's power in every community.

A handwritten signature in black ink, appearing to read 'Gumede', is written on a light-colored rectangular background.

(Cllr ST Gumede)

**Mayor/Executive Mayor**

## Municipal Managers Overview

### MUNICIPAL MANAGER'S OVERVIEW 2015/16 FINANCIAL YEAR



It is always exciting and humbling to reflect on the past years activities, achievements, challenges experienced and interventions where needed, in taking the municipality of Umzumbe forward. 2015/16 marked the 16 years of developmental local government since its inception. The strides made by this sphere in the 16 years is quite fulfilling looking back before 16 years on what has been achieved thus far. The latter is informed by what has been delivered to the communities in rural areas where we are situated as Umzumbe Municipality.

Projects and programs as asserted in the IDP and funded by the approved budget were a testimony to what is contained in the annual report as we are reporting back to our communities on what has been achieved. Also progressively indicating where we could not meet our targets. This is

applying the values of Batho Pele principles. In whatever was implemented by the municipality it was taking tune from the concept of Back to Basics as per the minister of Cooperative Government which has been institutionalised.

Key Performance Areas (KPA's) formed the basis for the different departments to execute service delivery projects and programs in responding to the B2B concept. For each financial year, the municipality sets targets that were implemented by the respective departments, so it continues to be for the year under review. In delivering basic services to our communities, the municipality saw an improvement wherein Municipal Infrastructure Grant and our internal funding, funded projects were implemented in the form of road construction, maintenance of the existing roads, upgrading of community facilities which included sports fields and community halls respectively.

In sustaining our existing road infrastructure, it then became pivotal for the municipality to set aside budget to purchase new plant towards road maintenance. Over and above purchased plant, a budget had also been set aside towards the actual road maintenance through an external service provider. This is done to complement our internal roads maintenance section within the department. Since the establishment of Waste Management section, the municipality continues to grow from strength to strength in delivering this service. This cannot be achieved without the utilisation of Expanded Public Works Program (EPWP).

Provision of electricity tokens and gel provision to our indigent families remained a key programme through Social and Community Services department. The provision of gel is informed by the backlog we have as a municipality when it comes to electricity. Through our Community Services Section over and above the tokens and provision of gel, one home one garden served as a vehicle to bring about food security through subsistence farming. Right of the child forms the back bone of our country and the municipality continues to support destitute learners through



the provision of school uniforms. NGO support by the municipality assisted the community initiatives in addressing social-ills faced by our communities. This was realised through assistance of Early Childhood Centres also addressing the rights of the child.

Local Economic Development within our municipality is one of the key pillars in addressing socio-economic matters as well as uplifting SMMEs and Cooperatives within our municipality. Empowerment of our SMMEs and Cooperatives remained our focal point in the year in review. The rich history of our municipality led to our municipality to start the processes of conducting research on three specific tourism sites that are within our municipality.

The committees of the municipality functioned well in the year under review. Ward committees which are structures that support the functioning of the wards received training on all modules as prescribed by COGTA. This was achieved by utilisation of MSIG that we received from the National Treasury fiscus.

Public participation will ever remain a focal point in local government as it forms the number one pillar under B2B. This is achieved through Izimbizo and IDP roadshows served as a communication channel to our communities. Issues raised at these platforms find their place on the IDP where they were turned to clear programmes of the municipality. In extending our public participation vehicle, the municipality has been engaging Igagasi Radio Station, Ugu Local community radio and radio Sunny South that has been a basis for an interactive participation of our communities with the Mayor of Umzumbe. That has created a platform wherein a municipality is able to ascertain if communities see what the strides minimal as they may appear that are being done.

Youth Development constituted one of our programs through the office of the Youth with the Speaker of the council chairing the youth committee. 150 learners were assisted by assisting them with the registration fees to access tertiary education. The focus was for those learners who are coming from the needy families using the means test as a yard stick for our assistance. Special Programmes continued to form the basis of community engagements through various programmes that we implemented in these units respectively. Issues of the HIV/AIDS were taken serious by the municipality. The latter is proved by HIV/AIDS the programs that were implemented by the municipality.

Disaster Management as a cross-cutting issue served a critical role in conducting Risk Assessments within the wards of Umzumbe. Awareness campaign are conducted as an ongoing exercise towards sensitising our communities on the issues of Disaster and its effect. Lightening conductors were purchased which were strategically placed within the clusters of the municipality.

Municipal Transformation served as a support service to all the municipal departments through Corporate Services department. Human Capital Empowerment remained one of the compliance and critical area through the development of a Work Place Skills Plan. The proper functioning of any organisation is guided by the development of policies. The municipality managed to review and develop prioritised policies, based on the critical needs identified.

Information and Communication Technology (ICT) formed the basis for proper implementation of all the programmes of the municipality. Development of an IT Strategy will assist the municipality in further improvement and proper IT section development.

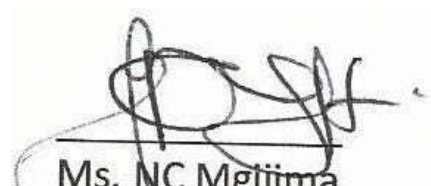
Financial viability and sustainability remained our focus as we are a grant dependant municipality. Proper financial management and effective utilisation of Council funds was critical and important. In this year under reporting the financial standing of our municipality remains good. Municipality can sustain itself for nine months. As a municipality we sustained our Auditor General's report of an unqualified audit opinion with no

matters i.e. Clean Audit. This achievement has made us proud in continuing to exert ourselves towards maintaining our clean audit even in the coming financial year.

As we were closing the year certain achievements were realised by the municipality. As a municipality we were honoured by receiving a local government flame as the presence of the district champion MEC for Social Development graced our events. An additional funding of R4million was received by the municipality on our Municipal Infrastructure Grant which has led to an additional road to be added on the plans for the 2016/17 financial year. Also coupled to this an additional R1million was received from Department of Energy adding to our INEP grant which we ended up adding another porting of Mahlaya village to be electrified. Towards the end of the financial year the MEC for COGTA in KZN awarded the municipalities under the Municipal Excellence awards wherein our municipality received two awards of receiving a clean audit and the best performing small local municipality in KZN. That has added a feather on our cap as the municipality.

As a municipality we did not sail smoothly without experiencing some challenges. Critical Vacant position of two senior managers continues to be a challenge in the execution of our functions. The hope is that as we start the new financial year we will be in a position to fill the vacant position. The municipality has lost three employees which has left a void in our organogram. The year has been marked by a brutal killing of eight (8) members of one family within our municipality. Having said the above the diligence and commitment of our SAP services led to the arrest of the perpetrators.

In closing, the continuous and the commendable support by the political wing is commendable and applauded, led by the Mayor, Speaker and the Deputy Mayor members of the executive committee and council at large. The strides we made in executing our duties was supported by their stewardship as leaders in our municipality. Oversight role was shown by the Municipal Public Accounts Committee (MPAC) cautioned us in giving proper administrative advise to the council and accountability in exercising our administrative role led to the good state a municipality is enjoying. The Chairperson's role and his robust engagement was highly appreciated and admired. Last but not least our shared services in external Audit Committee and their excellent role in advising the Accounting Officer and the Internal Audit unit can never be underestimated in assisting our municipality to sustain its clean audit.



Ms. NC Mgljima  
Municipal Manager

## **Municipal Functions, Population and Environmental Overview**

### **Municipal Functions**

Umzumbe Local Municipality has the function and powers assigned to it in terms of sections 156 and 229 of the Constitution of the Republic of South Africa. The Municipal Structures Act of 1998 makes provision for the division of powers and functions between the district and local municipalities. It assigns the day to day service delivery functions to the local municipalities.

The Provincial MECs are empowered to adjust these powers and functions according to the capacity of the municipalities to deliver services. With regard to the above statement for instance, the function of Water and Sanitation as well as the maintenance of water infrastructure is the function of the district municipality.

Whilst the Local Municipality is responsible for day to day Planning, it is also in liaison with the District for advice and support. Amongst other things the powers and functions of the municipalities are as indicated in the table below.

UMZUMBE MUNICIPALITY FUNCTIONS	DISTRICT FUNCTIONS	SHARED SERVICES
<ul style="list-style-type: none"> <li>• Building Regulations</li> <li>• Pontoons, Ferries, Jetties, Piers and Harbors</li> <li>• Storm Water Management Systems in Built up Areas</li> <li>• Trading Regulations</li> <li>• Billboards and the Display of Advertisements in Public Places</li> <li>• Cleansing</li> <li>• Control of Public Nuisances</li> <li>• Street Lighting</li> <li>• Traffic and Parking</li> <li>• Control of Undertakings that sell Liquor to the Public</li> <li>• Facilities for the accommodation, care and burial of animals</li> <li>• Fences and Fencing</li> <li>• Licensing and Control of Undertakings that sell food to the public</li> <li>• Local Amenities</li> <li>• Local Sport Facilities</li> <li>• Municipal Parks and Recreation</li> <li>• Noise Pollution</li> <li>• Public Places</li> <li>• Street Trading</li> <li>• Local Economic Development</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal Health Services</li> <li>• Portable Water</li> <li>• Sanitation</li> <li>• Air Quality Management</li> </ul>	<ul style="list-style-type: none"> <li>• Fire Fighting Services</li> <li>• Local Tourism</li> <li>• Municipal Airports</li> <li>• Municipal Public Transport</li> <li>• Cemeteries, Funeral Parlors and Crematoria</li> <li>• Markets</li> <li>• Municipal Abattoirs</li> <li>• Refuse Removal,</li> <li>• Refuse Dumps and Solid Waste</li> <li>• Development Planning</li> </ul>

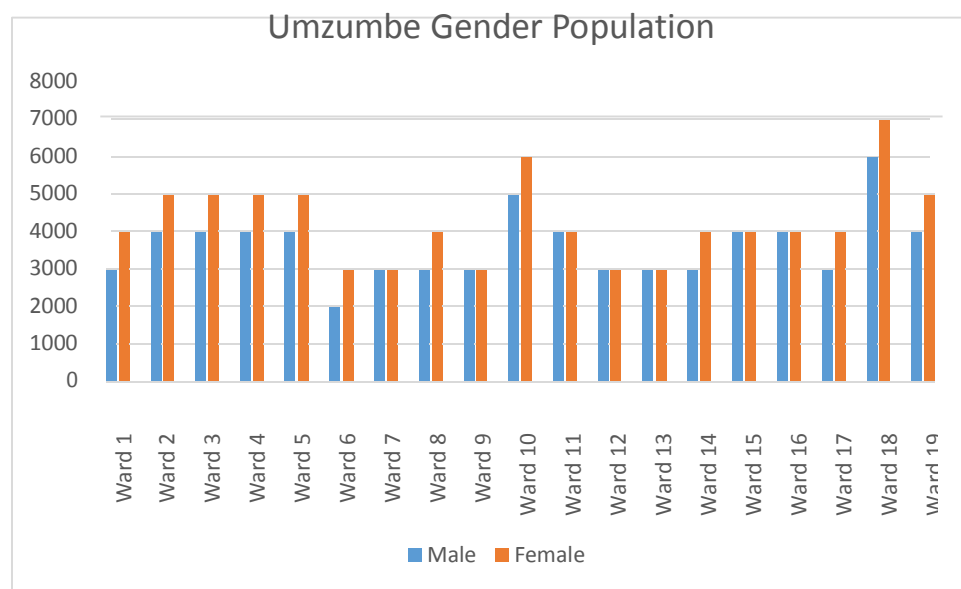
## Demographics

The latest 2011 census indicates that Umzumbe municipality's total population is 160 975 people, where males account for 46% of the population and the female is 54%. The most populated ward in the municipality is ward 18 with 13056 people and ward 6 with a total population of 5923 people.

<b>KZN213: Umzumbe</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
	<b>74819</b>	<b>86156</b>	<b>160 975</b>
<b>Ward 1</b>	3639	4042	7681
<b>Ward 2</b>	4042	4776	8818
<b>Ward 3</b>	4259	4831	9090
<b>Ward 4</b>	4376	5185	9561
<b>Ward 5</b>	4391	5126	9517
<b>Ward 6</b>	2716	3206	5923
<b>Ward 7</b>	2812	3301	6113
<b>Ward 8</b>	3718	4593	8311
<b>Ward 9</b>	2853	3450	6303
<b>Ward 10</b>	5218	6022	11240
<b>Ward 11</b>	3897	4698	8595
<b>Ward 12</b>	3013	3576	6589
<b>Ward 13</b>	3108	3622	6730
<b>Ward 14</b>	3544	4196	7740
<b>Ward 15</b>	4276	4722	8997
<b>Ward 16</b>	4643	4634	9277
<b>Ward 17</b>	3591	4107	7699
<b>Ward 18</b>	6135	6922	13056
<b>Ward 19</b>	4590	5146	9735

Source: Stats SA Census 2011

The graph below indicates the relationship between male and female population where in all the wards of the municipality females' account for most of the population. The phenomenon of female population outstripping the males could be attributed to the fact that men generally migrate to areas with job opportunities to fend for their families while females remain at home taking care of the children. This will mean that women empowerment policies should be taken very seriously in Umzumbe Municipality and thus ensuring that they are at the forefront of service delivery.



**Source: Stats SA Census 2011**

The table below indicates the municipality's age profile. It is evident that the majority of Umzumbe population is in the teenage group (between 10-19 years) which is 39165. The second largest population group is the youth aged 20-29, which is at 25992, then followed by children from age 0-4 at 21435 respectively. The population also shows that from age 0-4, male dominates females and the females start to dominate from age 20 upwards. The graph below clearly indicates the population composition.

Population Details									
Age	Year -2			Year -1			Year 0		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4			0			0	10836	10599	21435
Age: 5 - 9			0			0	9801	9579	19380
Age: 10 - 19			0			0	19968	19197	39165
Age: 20 - 29			0			0	12585	13407	25992
Age: 30 - 39			0			0	6810	8136	14946
Age: 40 - 49			0			0	5082	8142	13224
Age: 50 - 59			0			0	4410	6648	11058
Age: 60 - 69			0			0	3285	5232	8517
Age: 70+			0			0	2049	5217	7266
<b>Source: Statistics SA 2011</b>									

With this population composition depicting the youths as most dominating population group, it is of chief importance to ensure that the municipality rolls out programmes that aim at empowering the youths.

The diagram below indicates the highest education levels within Umzumbe. Most of the people living within the area have a high school education. This is due to the fact that there are no tertiary facilities for further learning. Poverty is also a big contributor to people not being able to move to bigger cities to access tertiary facilities.

EDUCATION LEVELS	NUMBERS
<b>Grade 0</b>	-
<b>Grade 0 - Grade 7 / Std 5/ ABET 3</b>	-
<b>High School</b>	119353
<b>N1-N6 Qualification</b>	414
<b>Certificates with less than Grade 12</b>	1005
<b>Diploma with Grade12 - Higher Degree Masters / PhD</b>	2007
<b>No schooling</b>	15642
<b>Unspecified</b>	-
<b>Other</b>	66
<b>Not applicable</b>	22488
<b>Grand Total</b>	160975

Even though Umzumbe is a rural municipality where majority of people are unemployed, economic trends show that the municipality achieved the biggest decline in poverty levels over the 6 years period. However an infrastructural project initiative that had the greatest impact under the Integrated Sustainable Rural Development Programme (ISRD) is the construction of P68 road between oShabeni and Highflats, and the construction of P73 road between Turton and High Flats.

This road network is seen to have increased economic activity and job opportunities in the municipality.

### **Service Delivery Overview**

#### Water

The Ugu District Municipality is the Water Services Authority and the Water Service Provider for the District. They are responsible for the provision of water and sanitation services within the district. The basic water service in Umzumbe is community standpipes within 200m -800m radius of all households.

The Strategic Integrated Projects (SIPs) programme identified projects by Governance aimed at fast tracking development and growth. Umhlabatshana Dam is a project within the district aimed at improving access to water for the community's. Ugu District Municipality in partnership with Umgeni Water, are working together to ensure operation of the Dam and improved access to water.



The Ugu Infrastructure Audit undertaken in 2011 indicates the following levels of access to water in Umzumbe: 27% of the population have access to a RDP level of service (households within a 200m walking distance of a pipeline); 25% have access to a lower than RDP level of service (households within a 800m walking distance of a pipeline); and 48% do not have access to formal water supply. This is a clear indication of the huge water backlog in Umzumbe.

### Sanitation

The only sewer option in Umzumbe is Ventilated Pit Improved Latrines (VIP). Based on a sample survey, the sanitation backlog is estimated at 33% which equates to approximately 9 424 households in need in Umzumbe.

Solid waste management involves the collection, transportation and safe disposal of refuse from residential areas to landfill. However, solid waste service in Umzumbe is virtually non-existent. It is estimated that 98.3% of households are not serviced with solid waste service.

### Electricity

The main supplier of electricity in Umzumbe is Eskom. It is stated in the Ugu Infrastructure Audit report (2011), that the majority of electricity problems are of a localized nature, since major capacity problems in Ugu has been addressed about ten years ago through the construction of major infrastructure.

The electricity backlog is estimated at 44%.

### Local Economic Development (LED)

The municipality has embarked on a gender approach to LED in order to bridge the gender gap of which Women are 2% more than men in numbers. The strong emphasis on empowering women is hoped to boost this sector due to the resilient nature and being on the receiving end of poverty of women as opposed to men. In boosting tourism the municipality has in the past financial year committed to developing Ntelezi Msane heritage site.

The other tourism areas within Umzumbe Municipality are the Msikazi Mountain, Sipofu Mountain, Umthwalume Mission Cluster, Sivivane Sika Shaka, Prophet Isaiah Shembe's Mission Centre, Gobela Arts and Crafts Centre, Turton Beach, Itshe Maria Stone, Source of Umthwalume river, Initiation of Traditional Healers Place, Kwandelu Landscape, Bhukumesiya (Shembe) Village and Summery of tourism products in Umzumbe Municipality.

### Housing

Access to adequate housing is still a challenge to the most of the people within the municipality. A significantly large population resides within privately owned land. The Department of Rural Development and Land Reform introduce a plan to speed up the housing delivery process. The plan calls for a partnership between the local municipalities, Department of Human Settlement and Department of Rural Development and Land Reform to in releasing land for housing development.

## Roads

As a municipality the projects were identified using the Public Participation and Umzumbe Capital Investment Framework wherein they were prioritized and included in the IDP document as a planning tool.

Umzumbe Municipality has maintenance programme for the roads constructed by the municipality. Plant has been acquired to ensure proper maintenance and utilisation of the constructed roads.

## Storm Water Drainage

Currently the storm water drainage within Umzumbe Municipality is through natural processes such as river streams.

## Local Planning Approvals

Umzumbe Local Municipality processes development applications in terms of the Spatial Planning and Land Use Management Act No 16 of 2013. The SPLUMA bylaws were adopted by council and gazetted to assist the municipality in implementing the SPLUMA legislation. The development of the wall-to-wall has been adopted by council and will be gazetted.

The Umzumbe wall-to-wall scheme will assist the municipality in:

- providing develop land use management systems in line with the Spatial Planning and Land Use Management Act principles;
- incorporate indigenous/traditional methods of land use allocation and land use;
- priority's Environmental and sector plans (e.g. coastal, flood lines, biodiversity)
- Identify areas in need of environmental protection.

Overview of Neighborhoods within Umzumbe Municipality			
Settlement Type	Households	Population	
KwaMaqhikizane	267	1272	
Mthwalume	264	1185	
Ngomakazi	393	1713	
Maqikizane	147	618	
Nyavini	369	1530	
Ensiyameni	114	459	
Gugha	180	807	
Gobhamehlo	378	1638	
Mgezankamba	201	852	
Ngwenda	159	750	
Thuthuka	270	1251	
Thendeni	12	78	
Enhlangwini	1077	4668	

Overview of Neighborhoods within Umzumbe Municipality			
Settlement Type	Households	Population	
Ntabakucasha	294	1332	
Umzumbe NU	228	1302	
Umgayi	561	2625	9
Mbiyane	237	1233	9
Gubhuza	516	2445	7
The Ridge	192	1017	
Umgai	570	2508	12
Mhlabatshane	111	513	4
KwaNtumeni	237	1017	
Eluphepheni	507	2169	3
Infomfo	105	453	
Bhekameva	126	567	3
Nomageje	252	1155	3
KwaMagugu	120	678	3
Sosibo	348	1476	3
KwaNjongoma	57	273	3
Mthaleri	360	1461	2
Oshamba	189	801	2
Wowana	69	255	2
Dunusa	132	507	2
Nhlengesi	162	696	2
Deyi	186	789	2
Dunuse	183	768	2
Phongolo	288	1437	2
Goba	210	861	2
Thembelihle	75	360	
Ngcengesi	117	519	2
Qoloqolo	444	1878	11
Inkulu	1530	7125	11
KwaBombo	513	2256	11
Qurha	144	657	11
Isangqu	192	756	11
Ntabazu	45	204	11
Sipofu	321	1302	11
Nyonyana	483	2397	11
Inyonyana	228	1014	11

Overview of Neighborhoods within Umzumbe Municipality			
Settlement Type	Households	Population	
Ndunge	69	381	16
Ntenguland	168	726	
Gubhugubhu	1539	7683	
Berea	168	702	
Nkangala	555	2529	
Nomakhanzana	594	2778	15
Dingimbiza	2880	13533	15
Mnamfu	2826	12699	19
Isiqungeni	1458	6939	18
Amahwaqa	471	2439	18
Ndwebu	36	141	4
Mpikanisweni	36	102	
Nhlalwane	363	1557	3
Ngcazolo	228	849	2
Odeke	69	189	14
Ixopo	57	216	13
Mbonje	321	1338	
Mvuzane	303	1269	1
KwaDweshula	156	636	1
Gcwalemini	357	1617	
Sunduza	225	1098	1
Ngoleleni	339	1410	11
Cathula	369	1791	
Dibi	546	2604	
Rosettenville	408	1806	16
Cabhane	213	1098	16
Velumemeze	246	1155	16
Gqayinyanga	261	1395	16
Nkalokazi	420	1908	7
Ndimakude	396	1533	14
Hlanzeni	603	2658	
Mayekeni	294	1443	
Mawuleni	66	225	1
Mehlomnyama	609	3009	5
Gumatane	363	1473	2
Mathulini	1791	8334	18

Overview of Neighborhoods within Umzumbe Municipality			
Settlement Type	Households	Population	
Thaleni	120	651	2
Ndlovuzulu	153	717	2
Thuntutha	126	660	
Enkulu	729	3789	
Ncane	72	255	
Sub-Total	35166	160 975	
Informal settlements	0		
Sub-Total	0	0	
Total	35166	<b>160 975</b>	

Proportion of Households with minimum level of Basic services				
	Year -3	Year -2	Year -1	Year 0
Electricity service connections	43%	46%	49%	52%
Water - available within 200 m from dwelling	26%	28%	30%	33%
Sanitation - Households with at least VIP service	61%	63%	65%	67%
Waste collection - kerbside collection once a week	0%	0%	0%	0%

Umzumbe Municipality has managed to make commendable strides under the Basic Service Delivery pillar. The performance further assisted in acquiring a clean audit for the 2015/16 financial year.

### Financial Health Overview

#### Annual Financial Statements:

As per section 122 and 126 of the MFMA, the municipality must for each financial year prepare annual financial statements which must be submitted by the 31 August to the Auditor General.

The annual financial statements for the financial year 2014/2015 was compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted by the 31 August deadline to the Auditor General.

The municipality performed very well and received a clean audit from the Auditor General. Accordingly the municipality prepared a corrective action plan to address the audit queries. The audit report and corrective action plan was tabled to council.

The annual financial statements for the financial year 2015/16 is currently being compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted by the 31 August deadline.

**Monthly Financial Reports:**

In terms of section 71 of the MFMA, the municipality must by no later than 10 working days after the end of each month submit to the mayor and the relevant treasury monthly budget statements.

The monthly financial reports were prepared timeously and were submitted to the Executive Committee (Exco) and Treasury as well as other portfolio committees.

**Mid-year budget and performance assessment:**

In terms of section 72 of the MFMA, a mid-year budget and performance assessment of the municipality must be made by 25 January each year.

The preparation of the mid-year budget and performance assessment was compiled and adopted by the Council on the 24 January 2016.

**Annual budget:**

The annual budget for the 2016/2017 financial year was successfully compiled and adopted by council as per the MFMA deadline.

**Compliance to the Supply Chain Management (SCM) Policy:**

The municipality is using SAGE Evolution which functions as an enterprise resource planning system. This system has assisted in the facilitating of procurement processes such as electronic requisitions and orders.

Separate files were opened for each individual contract which contained details of the contractor, evaluation and adjudication reports, payments details etc.

The municipality has functioning bid committees i.e. Bid Specifications, Bid Evaluation & Bid adjudication. The evaluation and adjudication of the tenders was done accordingly within the prescripts of SCM regulations.

**Compilation of the Assets Register:**

The municipality compiled the fixed assets register for the 2015/16 financial year in accordance with GRAP 17. This formed part of the process of the annual financial statement preparation.

**Municipal Property Rates:**

As of 1 July 2009, the municipality began charging for property rates in terms of the Municipal Property Rates Act. The valuation roll was compiled and the property rates billing system was integrated with the general ledger system. During the year the supplementary valuation rolls were advertised and updated on the system. In addition there has been a considerable reduction of government debt.

**Challenges:**

- The requirements of GRAP 17 posed challenges such as componentizing of infrastructure assets which required specialized knowledge.
- The physical verification of the assets was also challenging due to assets being spread over the large geographical area of Umzumbe.

- The municipality faced challenges of non - payment of rates and no registered postal addresses of rate payers.
- Capacity constraints within the department also remain a challenge.

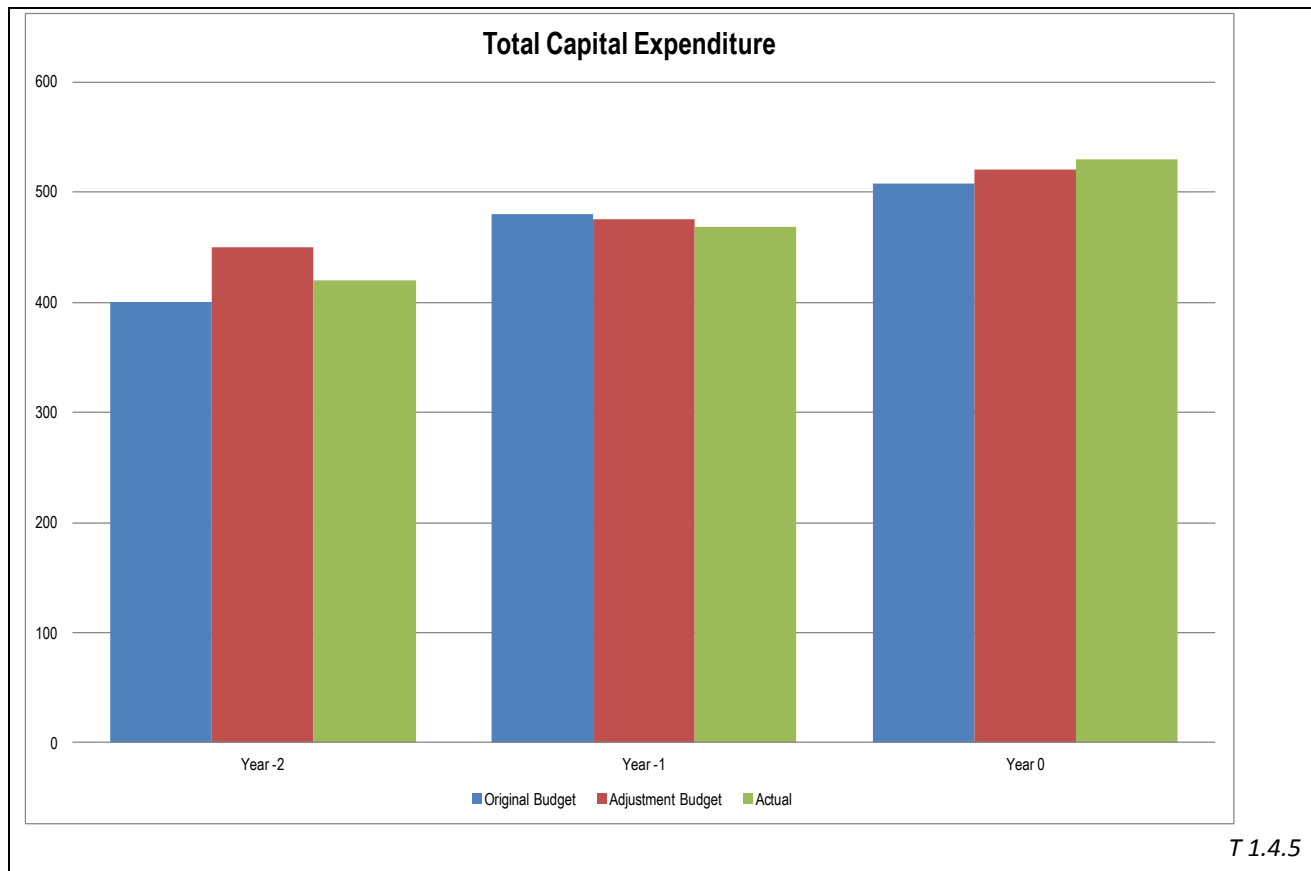
#### Recommendations:

- Utilisation of a service provider to assist in the preparation of the assets register in order to ensure GRAP 17 compliance.
- Key positions such as procurement officer will be fast tracked.
- Improving the SCM processed by implementing an advanced procurement module.
- More training will take place to ensure that finance staff are kept up to date with financial trends.
- More intervention with government departments and other stakeholders regarding payment of property rates.
- Assistance from COGTA and Treasury regarding compliance matters

Financial Overview: Year 0			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	196693887	210186191	204652466
Taxes, Levies and tariffs	4 157 557	4 157 557	5787993
Other	11182513	16011150.45	8848387
Sub Total	212033957	230354898.5	219288846
Less: Expenditure	154896956.8	150270586.1	140929054
Net Total*	57137000.23	80084312.38	78359792
<i>* Note: surplus/(deficit)</i>			<i>T 1.4.2</i>
Operating Ratios			
Detail		%	
Employee Cost		36%	
Repairs & Maintenance		6%	
Finance Charges & Impairment		1%	
		<i>T 1.4.3</i>	

Employee costs represent 36 %, repairs and maintenance represents 6% while Finance Charges and Impairment 1%.

Total Capital Expenditure: Year -2 to Year 0			
			R'000
Detail	Year -2	Year -1	Year 0
Original Budget			57137000
Adjustment Budget			80084312
Actual			73837780
			<i>T 1.4.4</i>



93% of the capital budget has been spent.

## ORGANIZATIONAL DEVELOPMENT OVERVIEW

### AUDITOR GENERAL REPORT

## REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL OF UMZUMBE MUNICIPALITY

### REPORT ON THE FINANCIAL STATEMENTS

Awaiting the Audit Report from the Auditor General's office.



### Statutory Annual Report Process

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

COMMENT ON THE ANNUAL REPORT PROCESS:
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Chapter 12 of the Municipal Finance Management Act (MFMA) No 56 of 2003 states that:

*Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this chapter.*

Because the main purpose of the annual report as stated by the (MFMA No 56 of 2003) is to

*Provide a record of the activities of the municipality or the municipal entity during the financial year to which the report relates;*

*To provide a report on performance against the budget of the municipality or the municipal entity for that financial year; and*

*To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity*

It is important to prepare the annual report nearer to the end of the financial year as possible. Annual reports contain information of service delivery, performance and how the budget was implemented, thus, in order for it to act as a corrective measure for the next budget process, a wide range of data must be made available from the onset. Many of the steps within the IDP process rely on information to be readily available. For instance, the annual performance report that is submitted to the Auditor General at the end of August forms a crucial part in the analysis phase of the IDP.

In order for the process of planning for, implementing and tracking service delivery and performance in a municipality to be a smooth one, it is important to note and ensure alignment between the IDP, Budget and performance management system. The Integrated Development Plan of a municipality is a tool that is used to regularly plan, whilst the SDBIP, which is the capital implementation of the budget, is used to continually monitor and the performance management system is used to periodically measure and review performance. Thus, alignment needs to be ensured.

## **Chapter 2: Governance**

### **2.1. Component A: Political and Administrative Governance**

#### Introduction to Political and Administrative Governance


Umzumbe Municipality Political governance is the Mayor who is the head of political side, chairing the Executive committee as well as the portfolio committee responsible for Finance and Corporate Services. As a municipality we proud ourselves as having a woman Deputy Mayor who is a member of the Exco also serving as a portfolio chair for the Human Settlement and Infrastructure Committee.



The Speaker of the council chairs the council meetings of the municipality as well as chairing the Youth Committee of the council. The council has an executive committee made up of eight (8) full time councillors. In dealing with oversight role, the council has a Municipal Public Accounts Committee (MPAC) made up of five (5) non- executive committee members. There are five (5) portfolio committees: **Human Settlement and Infrastructure Portfolio, Planning and LED Portfolio, Social and Community Services Portfolio, Finance Portfolio and Corporate Services Portfolio Committees.**






In assisting the MPAC and the Council, an external Audit Committee through a shared services approach has been established.

Administrative leg of the Council is led by the Accounting Officer and the managers reporting directly to her (section 56) with all the position being filled at this level of management. Each section 56 is responsible for the department as asserted above in the report. The second level of management is managers that report to the section 56 managers. This forms the extended top MANCO of the municipality.

#### Political Governance

	<p><b>POLITICAL STRUCTURE</b></p> <p><b>MAYOR</b> Cllr S.T. Gumede EXCO. Chair and Head FBCC Portfolio Committee</p>	<p><b>Function</b></p> <p>In terms of Section 49 of Municipal Structures Act and Regulations 117 of 1998 the Executive Mayor presides at meetings of the executive committee; and performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by municipal council or the executive committee.</p> <p><b>S56(2): The executive mayor must:</b></p> <ol style="list-style-type: none"> <li>Identify the needs of the municipality,</li> <li>Review and evaluate those needs in order of priority,</li> <li>Recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and</li> <li>Recommend or determine the best way, including partnerships and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.</li> </ol> <p><b>MFMA S54:</b></p> <ol style="list-style-type: none"> <li>Must provide general political guidance over the fiscal and financial affairs of the municipality;</li> <li>In providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act, the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;</li> </ol>
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		<ul style="list-style-type: none"> <li>c. Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;</li> <li>d. Must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and</li> <li>e. Must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.</li> </ul>
	<b>DEPUTY MAYOR</b> Cllr NY Mweshe Head: Human Settlement and Infrastructure Portfolio Committee	The Deputy Mayor exercises the powers and performs the duties of the mayor if the mayor is absent or not available or if the office of the mayor is vacant. The Mayor may delegate duties to the Deputy Mayor (Municipal Structures Act 1998, S49).
	<b>SPEAKER</b> Cllr S.R. Ngcobo Chairperson of Council	In terms of Section 37 of the Municipal Structures Act and Regulations 117 of 1998 The Speaker of a Municipal Council- <ul style="list-style-type: none"> <li>a. Presides at meetings of the council.</li> <li>b. Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).</li> <li>c. Must ensure that the council meets at least quarterly;</li> <li>d. Must maintain orders during meetings</li> <li>e. Must ensure compliance in the council and council and council committees with the Code of Conduct set out in Schedule 1 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000); and</li> <li>f. Must ensure that the council meetings are conducted in accordance with the rules and orders of the council.</li> </ul>

	<b>EXECUTIVE COMMITTEE</b> Cllr M.P Shoji Development Planning and Local Economic Development Portfolio	Member of Exco and Chairperson of the Development Planning and LED Portfolio oversees all matters within the section.
	Cllr Y.L Duma	Member of Exco and Finance Portfolio Committee
	Cllr J.P Mtambo Corporate Services Committee portfolio	Member of Exco and Oversees matters within the Human Settlements Portfolio Committee.
	Cllr M Ndlovu	Member of Exco and member of the Planning and LED Portfolio Committee
	Cllr M.P.L. Zungu Social and Community Services Portfolio	Member of Exco and Chairperson of Social and Community Services Committee


## COUNCILLORS

Umzumbe has 38 Councilors 15 are females and 23 are males. 19 of them are ward Councilors and 19 are Proportional representatives. Out of 38 Councilors 26 belong to the ANC, 8 NFP, 2 IFP, 1 Independent and 1 DA. Councilor Ms. T.M Khuzwayo representing the Inkatha Freedom Party resigned during the 2015/16 financial year and was replaced by Ms. Z Msani.


## POLITICAL DECISION-TAKING

Political recommendations are taken at the caucus level of each represented political party. This is done when the scheduled meetings of the Council meeting are to be convened. Each represented political party caucus before the commencement of the Council meeting be it special or ordinary meeting. After the council meeting a resolution register is compiled and the accounting officer oversees the implementation of the council resolution for reporting in the next council meeting of the Council. It is important to indicate that all the council resolutions have been implemented.

### 2.2 Administrative Governance

		<b>MUNICIPAL MANAGER and ACTING DIRECTOR SOCIAL AND COMMUNITY DEVELOPMENT :</b> <b>Ms. N C MGIJIMA</b>	<b>Function</b> The office of the Municipal Manager is responsible for the following services: <b>Development Planning and Local Economic Development, Communications, Mayoralty Youth Development and Special Programmes, and Internal Audit.</b>  Development Planning – functions are to drive the strategic planning of the municipality, spatial planning and Land Use Management, Geographic Information Systems and Performance Management System.  Communications, Mayoralty, Youth Development and Special Programmes – main functions of the department are to plan, develop and implement strategies and projects in order to achieve a co-ordinated internal and external communication process, support the administrative functioning of the Mayor’s Office and advance the interest of special groups and young people within Umzumbe.
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		<b>CHIEF FINANCIAL OFFICER:</b> <b>Mr K Audan</b>	<p>The Department is responsible for managing the financial administration of the municipality. It comprises sub departments i.e. <b>Expenditure and Assets, Budget, Treasury and Revenue and Supply Chain Management.</b></p>
		<b>DIRECTOR SOCIAL DEVELOPMENT &amp; COMMUNITY SERVICES</b>  <b>:VACANT POST</b>	<p>The Department comprises of two units namely, <b>Community Services</b> and <b>Disaster Management</b>. The unit facilitate with the upliftment of communities through poverty alleviation pogrammes, maintained/accessible government facilities and support given to households involved in natural disasters.</p>
		<b>DIRECTOR CORPORATE SERVICES:MR B G Nyuswa</b>	<p>Corporate Services Department is composed of three sections. These are <b>Human Resources, Administrative Support, Legal Services, Information and Communication Technology</b> Sections with different legislative mandate. The department is mainly operational in nature. It provides strategic direction and support to the services' departments, by ensuring that human/ physical resources are in place to enable the municipality to meet its service delivery objectives.</p>

		<p><b>DIRECTOR TECHNICAL SERVICES: MR S.S. Phakathi</b> (Resigned during the 2015/16 Financial Year)</p>	<p>This is the department that has been entrusted with delivery of basic services through operations and maintenance of existing infrastructural services as well as delivering new services so as to reduce backlog in the municipality. It consists of two units namely, <b>Housing Unit</b> and. <b>Project Management Unit</b></p>
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## **Component B: Intergovernmental Relations**

### **Introduction to Co-operative Governance and Intergovernmental Relations**

In aligning our municipality with the transcripts that governs Co-operative Governance and Intergovernmental Relation there are structures that had been established that involves different relevant stakeholder of each respective structure or forum. In relation to HIV&AIDS matters, the municipality does have an Umzumbe Local AIDS Council, which is under the chairmanship of the Mayor.

The sector departments deal with issues of HIV&AIDS at local level. On a quarterly basis this structure meets discussing programs and projects to be implemented by each stakeholder. NGO council and Gender Committees reside within the office of the Deputy Mayor wherein they also deal with matters that are affecting these structures.

Disability community interests found expression in the municipality's IDP in the sense that the municipality had championed the rolling out of Special Programmes which cater, among others, Disability Programme. Youth Committee is in place being chaired by the Speaker of the council. It looks in all the youth matters that are informed by different youth formations.

### **2.3. Intergovernmental Relations**

#### **Provincial Intergovernmental Structure**

Munimec is the structure where mayors meet with the Premier and the MEC'S of the province in discussing issues that affects the municipalities. Parastatals like Eskom sometimes attend these meetings where the issues of backlogs and plans by them are discussed. Provincial Disaster Forum serves as a basis in dealing with disaster issues within the province wherein the district municipalities and their local municipalities are also represented. The department of Provincial Treasury on request assisted the municipality on SCM matters; the understanding of the section 71 report for Cllr's and managers was done through the workshop.

District intergovernmental structures

As a family of UGu District Municipality IGR Structures are in existence through District Mayor's forum and Municipal Manager's forum that are functional, with regard to other IGR structures they have been established and ready to operate and will be chaired by the MM's from the respective

## **Component C: Public Accountability and Participation**

### **Overview of Public Accountability and Participation**

As clearly asserted in the sections of the MSA section 17(2), Umzumbe Municipality has a clear public participation strategy as well as Communication Strategy and both strategies seek to address the accountability. As a process of public participation IDP & Budget road shows were conducted in the 3<sup>rd</sup> quarter of the financial cycle. These initiatives gave communities a platform to raise their needs as well as their suggestions to the municipality. Mayoral Izimbizos were the vehicle in communicating progress on what has been promised by the council during its budget road shows. The ward committee functionality gave the municipality to advance and process community needs.

### **2.4. Public Meetings**

#### **Communication, Participation and Forums**

As the municipality at the beginning of each financial year a clear process plan on IDP and Budget issues were tabled. During the review of the IDP, a draft IDP was taken to public for comments and placed in strategic areas within the municipality area of jurisdiction, for members of community to comment and make meaningful contributions. The draft IDP was placed at the following community facilities: Morrison Post, Mehlomnyama Police Station, Assisi Clinic, Dweshula Clinic, Ophepheni Information Centre, ward 7 Community Hall, Umzumbe Municipal Offices, Mgai Clinic and social welfare, Kwa Smith, Ward 19 Government offices, Ziyabenya Car wash, Junction ward 6 (KwaMrek), Joyisi ward 7, Mgomeni High, Bambumoya Ward 2 and Mtwalume High Clinic.

Monthly ward committee meetings were held to discuss developmental issues. On a quarterly base IDP Rep Forums are held which were attended by various stakeholders.

Quarterly report back public meetings are held on all 19 municipal wards as another mechanism to strengthen public participation.

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
ward 1 Public Meetings	Q 1,2,3 & 4	1	NIL	162	Yes	Feed back on quarterly reviews
ward 2 Public Meetings	Q 1,2,3 & 4	1	NIL	77	Yes	Feed back on quarterly reviews
ward 3 Public Meetings	Q 1,2, & 3	1	NIL	122	Yes	Feed back on quarterly reviews
ward 4 Public Meetings	Q 1,2,3 & 4	1	NIL	88	Yes	Feed back on quarterly reviews
ward 5 Public Meetings	Q 1,2,3 & 4	1	NIL	155	Yes	Feed back on quarterly reviews
ward 6 Public Meetings	Q 1,2,3 & 4	1	NIL	70	Yes	Feed back on quarterly reviews
ward 7 Public Meetings	Q 1,2,3 & 4	1	NIL	56	Yes	Feed back on quarterly reviews
ward 8 Public Meetings	Q 1,2,3 & 4	1	NIL	58	Yes	Feed back on quarterly reviews
ward 9 Public Meetings	Q 1,2,3 & 4	1	NIL	57	Yes	Feed back on quarterly reviews
ward 10 Public Meetings	Q 1,2,3 & 4	1	NIL	100	Yes	Feed back on quarterly reviews
ward 11 Public Meetings	Q 1,2,3 & 4	1	NIL	76	Yes	Feed back on quarterly reviews
ward 12 Public Meetings	Q 1,2,3 & 4	1	NIL	88	Yes	Feed back on quarterly reviews
ward 13 Public Meetings	Q 1,2,3 & 4	1	NIL	45	Yes	Feed back on quarterly reviews
ward 14 Public Meetings	Q 1,2,3 & 4	1	NIL	75	Yes	Feed back on quarterly reviews
ward 15 Public Meetings	Q 1,2,3 & 4	1	NIL	58	Yes	Feed back on quarterly reviews
ward 16 Public meetings	Q 1,2,3 & 4	1	NIL	55	Yes	Feed back on quarterly reviews
ward 17 Public Meetings	Q 1,2,3 & 4	1	NIL	86	Yes	Feed back on quarterly reviews
ward 18 Public Meetings	Q 1,2,3 & 4	1	NIL	41	Yes	Feed back on quarterly reviews
ward 19 Public Meetings	Q 1,2,3 & 4	1	NIL	50	Yes	Feed back on quarterly reviews

## 2.5 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 56 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

## Component D: Corporate Governance

### Overview of Corporate Governance

The Department is headed by the Director: Corporate Services and consists of four sections: Human Resources, Administrative Services, Legal Services, Information and Communication Technology (ICT).

## 2.6. Risk Management

In terms of MFMA section 62 (1) (c)(i), the accounting office of a municipality is responsible for managing the financial administration of the municipality and for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of risk management and internal controls.

### ENTERPRISE RISK MANAGEMENT ENCOMPASSES:

- Aligning risk appetite and strategy – Management considers the entity's risk appetite in evaluating strategic alternatives, setting related objectives, and developing mechanisms to manage related risks.
- Enhancing risk response decisions – Enterprise risk management provides the rigor to identify and select among alternative risk responses – risk avoidance, reduction, sharing, and acceptance.
- Reducing operational surprises and losses – Entities gain enhanced capability to identify potential events and establish responses, reducing surprises and associated costs or losses.
- Identifying and managing multiple and cross-enterprise risks – Every enterprise faces a myriad of risks affecting different parts of the organization, and enterprise risk management facilitates effective response to the interrelated impacts, and integrated responses to multiple risks.

- Seizing opportunities – By considering a full range of potential events, management is positioned to identify and proactively realize opportunities.
- Improving deployment of capital – Obtaining robust risk information allows management to effectively assess overall capital needs and enhance capital allocation.

#### TOP 5 RISKS (Per Category)

TOP 5: INHERENT RISKS	
RISK	DESCRIPTION
1) Assets Management	Poor safeguarding of Municipal assets.
2) Skills Attraction and Retention	Failure to retain critical scarce skills.
3) Recruitment and Selection	Ineffective recruitment processes.
4) SCM Tenders	Irregular awarding of tenders.
5) SCM Supplier Database	Doing business with employees of the state.

TOP 5: RESIDUAL RISKS	
RISK	DESCRIPTION
1) Assets Management	Abuse of Municipal assets (telephones, laptops, cell phones, office furniture etc.).
2) Skills Attraction and Retention	Failure to retain critical scarce skills.
3) Supplier Database	Doing business with employees of the state.
4) Occupational Health & Safety	Non implementation of occupational health and safety programs
5) Development Planning	Un-coordinated developments (Illegal development).

## 2.7 ANTI-CORRUPTION AND FRAUD

Fraud represents a significant potential risk to the Municipality's assets and reputation. The Municipality is committed to protecting its funds and other assets. The Municipality will not tolerate corrupt or fraudulent activities whether internal or external to the organizations, and will vigorously pursue and prosecute any parties, by all legal means available that engage in such practices or attempt to do so.

The Anti-Corruption Strategy and Fraud Prevention Plan have been developed as a result of the expressed commitment of Government to fight corruption. It is also an important contribution to the National Anti-Corruption Strategy of the country and supplements both the Public Service Anti-Corruption Strategy and the Local Government Anti-Corruption Strategy.

Furthermore, a fraud risk register has been compiled with the following top 5 fraud risks in no particular order.

RISK NAME	RISK DESCRIPTION
Telecommunications	Abuse or Unauthorised use of municipal assets such as laptops, cell phones or land lines (Telecommunications) by municipal officials for personal use/gain resulting in financial loss for the Municipality.
Financial Interests	Manipulation of tender specifications by municipal officials and/or tender consultant in order to favour a preferred service provider to obtain a financial benefit.
Use of municipal assets	Collusion by municipal officials with third parties in respect of the use of municipal property resulting in the illegal usage of municipal assets/land.
Subsistence and travelling claims	Abuse of S&T claims by claiming expenses that are not work related or to inflate S&T claims with fictitious claims, resulting in a financial loss for the Municipality.
Human resources	Ghost employees created on payroll in order to divert salaries and benefits to existing employees or the lack of termination of employee contracts that result in funds being diverted.  Allowances paid to employees without proper/valid documentation

## 2.7 Supply Chain Management

The Municipality has a supply chain management unit which falls within the Finance Department. The unit is responsible for ensuring that the goods and services are procured in a manner which is transparent, competitive, equitable, cost effective and fair, through proper implementation of the SCM policy. The municipality's SCM policy is reviewed on an annual basis.

The unit responds to the authorized purchase requisitions for other departments within the municipality using the electronic accounting system called Sage Evolution. The swift response to the authorized purchase requisitions where possible is always ensured.

The municipality is striving to empower local businesses and cooperatives to improve our local economic development. The suppliers are rotated where possible to ensure that there is equal opportunities. However there are challenges since most of our local businesses are not well established and therefore cannot supply or provide certain goods or services.

## 2.8 Websites

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	03/06/2016
All current budget-related policies	Yes	03/06/2016
The previous annual report (Year -1)	Yes	05/04/2016
The annual report (Year 0) published/to be published		
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	13-07-2015
All service delivery agreements (Year 0)	N/A	
All long-term borrowing contracts (Year 0)	N/A	
All supply chain management contracts above a prescribed value (R 30,000.00) for Year 0	Yes	2015/2016
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	N/A	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
Public-private partnership agreements referred to in section 120 made in Year 0	None	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	2015/2016

## **2.9 Public Satisfaction on municipal Services**

### **Chapter 3 – Service Delivery Performance (Performance Report Part 1)**

#### **Component A: Basic Services**

##### **3.1 Water Provision**

###### Water

The Ugu District Municipality is the Water Services Authority and the Water Service Provider for the District. They are responsible for the provision of water and sanitation services within the district. The basic water service in Umzumbe is community standpipes within 200m -800m radius of all households.



*Stand Pipe in Umzumbe communities*

##### **3.2 Waste water (Sanitation) Provision**

The only sewer option in Umzumbe is Ventilated Pit Improved Latrines (VIP). Based on a sample survey, the sanitation backlog is estimated at 33% which equates to approximately 9 424 households in need in Umzumbe.





***Photo: VIP toilet***

### **3.3 Electricity**

The Municipality through Eskom Network planning report has identified areas which are not constrain in terms of Eletricity coverage. There are areas which are already covered with electricity and are energised. The project has managed to provide job opportunities to the Community. The challenges that are normal faced by the Municipality is theft of infrastructure cables in a local area.



***Photo: Electricity supply in progress***

Electricity Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Energy: (above minimum level)</u></b>				
Electricity (at least min.service level)	655	547	565	523
Electricity - prepaid (min.service level)	565	587	846	565
<i>Minimum Service Level and Above sub-total</i>	1,220	1,134	1,411	1,088
<i>Minimum Service Level and Above Percentage</i>	52.8%	52.8%	66.3%	62.1%
<b><u>Energy: (below minimum level)</u></b>				
Electricity (< min.service level)	112	123	124	124
Electricity - prepaid (< min. service level)	955	865	565	487
Other energy sources	24	26	28	54
<i>Below Minimum Service Level sub-total</i>	1,091	1,014	717	664
<i>Below Minimum Service Level Percentage</i>	47.2%	47.2%	33.7%	37.9%
<b>Total number of households</b>	2,310	2,147	2,127	1,753
T 3.3.3				

Households - Electricity Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Households Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	8,000	6,000	6,000	100,000	100,000	100,000
Households below minimum service level	1,063	750	550	36,000	36,000	36,000
Proportion of households below minimum service level	13%	13%	9%	36%	36%	36%
<b>Informal Settlements</b>						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households ts below minimum service level	25,000	25,000	2,500	25,000	25,000	25,000
Proportion of households ts below minimum service level	25%	25%	3%	25%	25%	25%
T 3.3.4						

Employees: Electricity Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	0	0	0	0	0%

### 3.4 Waste management (Refuse collection, waste disposal, street cleaning and recycling)

#### Introduction to Waste Management

The Municipality has identified areas where there is a huge need of waste removal and to comply with the Integrated waste management plan of the District. There is a service level agreement the other sister Municipality, Umdoni to assist with the removal of skip bean per week and the programme is targeting over 6800 families. The Municipality is also assisting the Chest Hospital Dunstan Ferrell to make sure that their waste material is removed weekly.

The waste management hierarchy gives priority to waste reduction, re use, recycle and energy recovery of waste in preference to disposal. The National Environmental Management Waste Act 59 of 2008 addresses previous fragmentation in waste management legislation and provides a single piece of Legislation to protect public health and the natural Environment. Previously Umzumbe Municipality had no waste collection services

Umzumbe Municipality is currently providing the waste collection service in the form of skip collection points; hence there is no door to door refuse removal service per household. However we have placed skips in the areas which are prone to illegal dumping and which are busy areas, currently we do not have enough funds to buy the required infrastructure (e.g.:) REL Trucks and compactor trucks. The waste unit has been newly established.

There are four skip collection points each skip is servicing approximately 300 households. We conduct monthly waste reduction campaigns and clearing of illegal dumping areas installation of no dumping sign boards on the areas which are problematic and high waste generating areas, a service level agreement has been signed with Umdoni Municipality which is assisting us with the implementation of the integrated waste management strategy. We strive on the implementation of the integrated waste management system.

Solid Waste Service Delivery Levels				
Description	Households			
	Year -3	Year -2	Year -1	Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Solid Waste Removal: (Minimum level)</u></b>				
Removed at least once a week	685	562	560	200
<i>Minimum Service Level and Above sub-total</i>	685	562	560	200
<i>Minimum Service Level and Above percentage</i>	99.9%	99.9%	99.9%	99.9%
<b><u>Solid Waste Removal: (Below minimum level)</u></b>				
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	1	1	1	0
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	–	–
No rubbish disposal	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	1	1	1	0
<i>Below Minimum Service Level percentage</i>	0.1%	0.1%	0.1%	0.1%
<b>Total number of households</b>	<b>686</b>	<b>563</b>	<b>561</b>	<b>200</b>

Households - Solid Waste Service Delivery Levels below the minimum						
Description	Households					
	Year -3	Year -2	Year -1	Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	8,000	6,000	6,000	100,000	100,000	100,000
Households below minimum service level	6,000	5,000	4,500	25,000	25,000	25,000
Proportion of households below minimum service level	75%	83%	75%	25%	25%	25%
<b>Informal Settlements</b>						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households ts below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
T 3.4.3						

### 3.5 Housing

The Municipality is a deep rural Municipality and it uses the Rural instrument in term of Housing deveolpment .The Municipality clustered all the wards and put applications to the Department of Human settlement for housing development. The Municipality has currentlty achieved 3818 housing units. There is an land right agreement with Ingonyama Trust Board and there areas which are privately own which become a problem to build on those areas as the policy stipulate that we only built on Ingonyama land.The Municipality is engaging with the the state land ownership to enter into a development right agreement for other programmes of housing development.



***Photo: Rural Housing provided in Umzumbe Municipality***

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -3	3818	3818	100.0%
Year -2	3000	3000	100.0%
Year -1	2000	2000	100.0%
Year 0	1000	1000	100.0%

Housing Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Provision for housing for all households</i>	Additional houses provided during the year (Houses required at year end)	80 additional houses (400 houses required)	36 additional houses(400 houses required)	40 additional houses (400 houses required)	50 additional houses (400 houses required)	56 additional houses (400 houses required)	50 additional houses (400 houses required)	73 additional houses (400 houses required)	50 additional houses (400 houses required)

Employees: Housing Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	4	4	4	0	0%

The planned housing projects for 2015 /2016 financial year was Nhlanguwini, Cluster D phase 2, Cluster C phase 1, Cluster B phase 2 and Cluster A phase 2.

Nhlanguwini: The Municipality managed to start the construction phase and achieved the annual target of 460 houses constructed.

Cluster D phase 2: The Municipality's unable to commence with the project as we awaiting approval from the Department of Human Settlement.

Cluster C phase 1: The planning phase of the application is complete with the Municipality awaiting consent to commence construction from the Department of Human Settlement.

Cluster B phase 2: The Municipality achieved the annual target of 1000 beneficiary registration, with the project currently in the planning phase.

Cluster a phase 2: The Municipality achieved the annual target of 1000 beneficiary registration and currently awaiting the Department of Human Settlement.

The housing projects only depended on the allocation of funds from the Provincial Department of Human Settlement there it's depend on the allocation by the Department for each financial year. The challenge is that the demand on the ground for housing and fund are insufficient.

### 3.6 Free Basic Services and indigent support

In aligning with the Provincial Growth and Development Strategy objective on poverty alleviation and the constitutional mandate to ensure citizens have equal rights and access to basic services. The Council of Umzumbe undertook measures by committing itself in developing poverty alleviation initiatives that would improve the standard of life through poverty reduction approach. In doing so the Council designed and approved an Indigent support policy with an objective to dignify the quality of life of these households. This Indigent support policy provides guidelines and procedures in terms of the

implementation of these programmes and initiatives to address the challenges of poverty. The Indigent register was adopted by council and includes all the households in need of support.

Basic Electricity Tokens			
	TOTAL	ACCESS	%
Year 2	48 000	48 000	100%
Year 1	48 000	48 000	100%
Year 0	48 000	48 000	100%

10 000 Beneficiaries receives electricity tokens per month.

The following are the free basic services provided by the municipality:

- . Dress a child                      **School campaign to provide uniform for identified indigent learners**
- . Food security                      **One home one garden and indigent support**
- . Free Basic Electricity    **50KW free per purchase of electricity**
- . Free Alternative Energy **Gel provision to 634 households in Wards 7, Ward 8 and Ward11**
- Indigent support                      **72 families supported on request by councilors**



***Photo: Dress a child Event.***

## **Component B: Road Transport**



### 3.7 Roads

The Municipality has access roads which are being maintained by the Maintenance plant. The Municipality has purchased the maintenance plant per Cluster which is the four Grader, two TLB and the Tipper Truck. The Municipality has drafted maintenance plan which is a guide to the access road maintenance. The Municipality is facing the challenge with the vast terrain area. The Municipality has further engaged on the processes of procuring the Lowbed which will eliminate the driving distance of machines.

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometers Gravel roads graded/maintained
Year -2	169	6		110
Year -1	178	8		125
Year 0	185	10		164

Cost of Construction/Maintenance						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year -2	10000000		3000000			
Year -1	8000000		6000000			
Year 0	6000000		2500000			

*Photo: Municipal Graders*

### **3.8 Transport (vehicle licensing and public bus Operation)**

Transport in Umzumbe Municipality is provided through private mini bus taxis and UGu Transport bus service.



*Photo: Mode of Public Transport in Umzumbe*



***Photo: Mini Bus Taxis as a Mode of Public Transport***

### **3.9 Waste Water (Storm water Drainage)**

Currently there is no formal storm water drainage system on the municipal access roads. The tarred roads however have paved roads for storm water drainage.

## **Component C: Planning and Development**

### **INTRODUCTION TO DEVELOPMENT PLANNING AND LOCAL ECONOMIC DEVELOPMENT**

In terms of physical planning and economic development of Umzumbe Municipality, the provincial development corridors offer an opportunity for densification and investment concentration along these corridors (N2, R102 and P68, P73). This will also be alignment with Provincial Government Densification Policy.

The availability of UGu district development and service delivery programme, if implemented will support the municipality in its accord towards developing sustainable human settlements. Being located along the South Coast Tourism region, Umzumbe municipality has an opportunity to grow in the tourism sector and thus contributing to local economic development. The KwaZulu Natal Planning and Development Act together with Spatial Planning and Land Use Management Act require municipalities to develop wall-to-wall scheme, and this provide Umzumbe an opportunity to ensure a controlled development and orderly planned human settlements.

A lack of land ownership by the municipality becomes a challenge in enforcing land development clauses and affected management tools during land allocation or development. The scattered settlements and rugged terrain also make it difficult for densification. The high rate of unemployment within the municipality poses a challenge for economic development.

### **3.10 Development Planning**

The Development Planning Section is responsible for the development and implementation of Integrated Development Plan, Organisational Performance Management System and implementation of the Spatial Development Framework. The preparation of the Integrated Development Plan of the municipality was an integrated participatory process that began July 2015 with the development of the IDP/Budget/PMS process plan following which the process plan was presented in the Top Management Committee, Planning Portfolio Committee, Executive Committee, IDP Representative Forum and Council. Members of the Community were afforded an opportunity to comment on the Plan through local newspapers and the municipal website. The municipality has been able conduct measurement on quarterly basis where the performance targets were evaluated against the planned targets as per the Service Delivery and Budget Implementation Plan.

In October 2015 a total of five mayoral Imbizo's were held in and around the municipality taking a cluster approach in the participation of the community.

The municipality owns no land, close to 40% of the land falls under Ingonyama Trust Board and about 35% is under private ownership and government department. This poses a challenge to the municipality in so far as the enforcement of the laws is concerned.

A large portion of the population lives in poverty and depends on social grants.

Attracting investment is a challenge but it can be unlocked through proper settlement planning, zoning of areas to assist in land management as well as environmental conservation. The municipality does not receive major development applications and this could be attributed to the fact that there is currently no land use scheme to enforce development.

Lack of sufficient infrastructure such as electricity and water supply is hindering the development and sustainability of economic activity in the sense that it does not boost investor confidence.

Revenue Enhancement: as the municipality is predominantly rural with high level of unemployment and poverty, it makes it difficult for the municipality to generate own venue in terms of waste removal, electricity, sanitation and other municipal services.

In addressing the land use management the Municipality is currently in the process of developing a land use scheme and land use audit. The Municipality will commit itself to implementing and enforcing some of the planning legislature to overcome the spatial planning challenges. In terms of the support given to the impoverished communities, the municipality has updated its indigent policy and provides free basic services across the spectrum.

In addition to Municipal IDP Roadshows and Mayoral Izimbizo's, the Development Planning Unit conducted SPLUMA Awareness campaigns to the community. The purpose of the awareness campaigns were to educate the community on the recently enacted Spatial Planning and Land Use Management Act no. 16 of 2013.

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	-	0	0	0	0	0
Determination made in year of receipt	-	0	0	0	0	0
Determination made in following year	-	0	0	0	0	0
Applications withdrawn	-	0	0	0	0	0
Applications outstanding at year end	-	0	0	0	0	0

Planning Policy Objectives Taken From IDP				
Service Objectives	Outline Service Targets	Year 0		
		Target		Actual
Service Indicators		*Previous Year	*Current Year	
(i)	(ii)	(v)	(vi)	(vii)
<b>Service Objective xxx</b>				
Timeous processing of development application through the PDA process	PDA Applications finalised within 90 days of receipt	2 application was received during the 2014/15 financial year	N/A	
Development and implementation of SDF	Implementation of Land Use Management Systems	SDF was developed and adopted by Council in 2013/14 FY	N/A	
Investing in localities of economic growth	Development of sustainable economic nodes and corridors	Development nodes have been identified	N/A	
To ensure up to date information systems	Establishment of a GIS	GIS Software was installed and also the GIS Policy was developed	GIS Policy adopted and Tariff policy adopted	

<b>Employees: Planning Services</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 0</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	2	2	2	0	0%
4 - 6	1	2	1	1	50%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>50%</b>

<b>Financial Performance Year 0: Planning Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>Year -1</b>	<b>Year 0</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	1680000	1 733 000	2 187 200	-	%
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Operational Expenditure</b>	1680000	1 733 000	2 187 200	-	%

**COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING  
OVERALL:**

The Umzumbe wall-to-wall scheme project was adopted by Council during the 2015/16 financial year. The adoption of the scheme will assist in the orderly development of land and inclusion of previously disadvantaged areas.

Umzumbe Municipality in collaboration with the Department of Cooperative Governance and Traditional Affairs and Udidi Development Planners worked effectively in the preparing the Wall-to-Wall Scheme and Land Audit.

The Umzumbe Spatial Development Framework outlines a number of projects aimed at transforming and unlocking the potential of the area. Among those projects is the development of Local Area Plans namely; Turton Beach Framework and Kwa Phungashe area. A challenge in executing these projects would be financial constraints.

The Turton Beach Framework was developed during the 2015/16 financial year in line with the municipal vision. Mabune Consultants were appointed to conduct the necessary studies and research which will make the beach more user friendly to the community and surrounding.

### **3.11 Local Economic Development**

#### **Introduction to Economic Development**

Local Economic Development (LED) is an outcome, based on local initiative and driven by local stakeholders. It involves identifying and using local resources, ideas and skills to stimulate economic growth and development. The aim of LED is to create employment opportunities for local residents, alleviate poverty, and redistribute resources and opportunities to the benefit of all local residents.

The Unit, realises that LED is an ongoing process, rather than a single project or a series of steps to follow. LED compasses all stakeholders in a local community, involved in a number of different initiatives aimed at addressing a variety of socio-economic needs in that community.

The following are the priority areas for service delivery in LED:

- SMME's and Cooperative development
- Arts and Craft Development
- Arts and Culture
- Agriculture and
- Tourism

Umzumbe municipality has a fully functional local Economic Development Department with a Manager as the head of the unit two officers and one intern. The unit is responsible for all the activities associated with economic development initiatives such as, Agricultural development programme, Cooperate Development, SMME Development, Tourism Development and Arts Development Programme set out to improve the key performance areas.

These sectors were budgeted as follows:

Agricultural development programme - R1, 000 000.00

Cooperate Development – R 1, 100 000. 00

SMME Development – R 1, 200 000.00

Tourism Development – R 3, 800 000.00

Arts and Culture and Arts Performance Development Programme – R4, 500 000.00

The municipality has embarked on three economic sectors namely Primary, Secondary and tertiary sectors of the economy presenting an opportunity engagement to develop economic activities that are balanced and sustainable



## SMME Development

This is a programme that helps develop small businesses that are registered as close corporations. The LED Unit updates the SMME's database regularly. SMME's training are provided in partnership with provincial government departments. SEDA Assessed 11 different categories of SMME's in June 2015.

An annual target of 3 Incubator projects was met and inputs provided for Steel works, manufacturing, block making and Catering.

## Cooperative Development

This programme assists cooperatives in Umzumbe to develop through financial relief by providing inputs for sewing, bakery and also cooperatives in agriculture. One of the cooperative assisted with Industrial machine is Velumemeze sewing cooperative situated in ward 16 Chabane area, the cooperative is well represented in terms of Youth, Gender and also people with disability.

Annual target met of 4 cooperatives in incubation and inputs provision.



**Photo: Velumemeze Cooperative**

Above photo is during the handing over of sewing machines with Cllr M P Shoji and Cllr P A Hlongwa as well as the Ward Cllr, M Z Luthuli. With the beneficiaries who are members of Velumemeze Cooperative Ward 16 Cabhane.

## Arts and Craft Development

Individuals and Cooperatives are provided with soft and technical skills, which they will use to generate income and as a different intervention to poverty alleviation. Within the selected areas individuals are trained and then encouraged to form a business entity for trading. An Annual target was met of 4 crafters trained and inputs provision to 6 Arts and Craft Corporative.

The Unit also assists Crafters with sector specific information and to access markets through various exhibitions like Royal Show, Tourism Indaba, Durban Business Fair and Summer Festival.

## Arts and Culture

Creative Arts is divided into two categories, first one being the competitions where eliminations take place

and the best 5 groups in all genres. This assist artists to measure their competitiveness. Second category of creative industry deals with the development of the winners of the competitions through training and marketing exposure. Winners participate in our annual Arts and Culture Festival that happens on the first quarter of each financial year.

Annual target was met on Arts and Culture Festival held on the 24<sup>th</sup> of September 2014 in Ward 12, all genres participated such as Gospel, Kwaito, Isicathamiya, Ingoma, Poet and Jazz.

#### Agriculture

The programme focuses on identifying agricultural projects that will be able to stimulate economic development and assist project beneficiaries with relevant inputs. The Unit has supported community gardens previously, and the annual target was met of 6 community gardens to be supported.



***Photo: Sgqobhinkhabathi Coorparative***

Above is during the handing over of water pump and also seeds and fertilizers to Sgqobhinkhabathi Cooperative in Ward 19, Cllr S.T Gumede (Mayor), Cllr MP Shoji and N.C. Mgijima (municipal Manager).

Handing over of Engine pump, and 2 installed with water tanks with LED Manager, Ward 06 Cllr E S Radebe and portfolio chair Cllr M P Shoji



*Photo: Velumemeze Cooperative*

## Tourism Development

This programme is focusing on identifying tourism opportunities and nodes that have potential for promoting tourism and develop them into packages while assisting beneficiaries in doing feasibility celebration events. One of the objectives to this project is to restore and preserve local history and cultural development.

An annual target of 2 heritage celebration event to be conducted i.e. Isivivane sika Shaka and Ntelezi Msane.

### Isivivane Sika Shaka

The project was done in partnership with South Coast Tourism and Time Travel, the event was a success, done on the 2<sup>nd</sup> quarter, held on the 16<sup>th</sup> of May 2014 at Ward 15.

### Ntelezi Msane

This is the heritage project that seeks to commemorate the Heroes of Umzumbe that took part in the Poll tax uprising of 1906. The project is going to be a cornerstone of tourism and development within the Umzumbe municipality. The research done has linked Umzumbe to International avenues such as St Helena Island, where a tourism agreement should be signed. The project comprises lifestyle features such as museum, Amphitheatre, information centre, archive centre, library, art and etc.

Due to financial constraints, the project infrastructure will be done in phases, and in this financial year a construction of Information centre is in progress. Target was not met of celebrating the heritage event.



***Photo: Isivivane sika Shaka***

**Amabutho KaShaka demonstrating their braveness**

## Challenges

The Municipality owns no land, close to 40% of the land falls under Ingonyama Trust Board and about 35% is under private ownership and government departments, which makes it difficult for the municipality to have access to land required for developmental purposes.

Umzumbe local municipality is less revenue based, which result in budget constraints for other projects to be implemented efficiently.

Currently the municipality's economic strengths lie in agriculture; subsistence farming, tourism and manufacturing. The municipality has identified a number of projects and initiatives to develop its economy. In addition to the above statement, there is also potential in the retail, trade and services sectors. Ntelezi Msani Memorial Project and Isivivane Senkosi Ushaka Heritage are a portion of the flagship projects that have been identified by the Municipality as the key project that will contribute in unlocking the tourism potential in the hinterland and also contributes in the transformation of the heritage sector. The Municipality is furthermore rich in natural resources with an aesthetic nature that appeals to the tourism industry. Moreover Informal trade is the backbone of Umzumbe's economy and has identified areas such as Kwaphungashe and Morrison as its Economic nodes.

## Component D: Community and Social Services

The Department of Social and Community is headed by the Director: Social and Community Services. This department has two units, i.e. Community services and Disaster Management Services Unit.

Social and Community Services is mandated to improve social development through targeted services. Programmes are established to improve the standards of life through a safety net of essential services. The Department is further mandated to respond to emergency and unforeseen circumstances through the Disaster Management unit.

For the past year Community Services improved the conditions of the Early Childhood Centres by painting buildings, installed shelves in the storage rooms and provided material support to ensure quality service is delivered by the educators. Three service delivery priorities were planned for implementation i.e. Improvements on the building structure, material support and capacity building. Out of the 3 priorities, only 2 were successfully implemented i.e. improvement of the building structure and material support. Capacity building did not materialize due to budget constraints.

Community Facilities (Hall) were furnished with chairs and tables upon the employment of caretakers who would ensure the monitoring and management of the facility inclusive of the bookings. During the past year 6 caretakers were employed topping up the number of caretakers employed the previous year to 15. The service delivery priorities were the acquisition of furniture, monitoring and management of the facilities.

### 3.12 Libraries; Archive's; Museums; Galleries; Community facilities; other

Umzumbe Municipality currently has no Libraries for the community to utilize. 6 Caretakers were employed to monitor the functioning of the facility and the management of the furniture purchased.

The employment of caretakers deemed effective and efficient in terms monitoring and management of the furniture as well as the bookings made by our clients.

#### Service objectives

1. Securing and connection of burglar guards with the intention of minimizing vandalism
2. Acquisition of furniture to promote hiring of halls
3. Monitoring and management of community facilities through the employment of 6 caretakers would facilitate bookings and performs the supervisory services to 38 Women who cleans the halls.

#### Employees

6 Caretakers were employed for the year in question as a top to 10 caretakers employed the previous year. These are contract workers and do not have levels.

### **3.13 Child Care; Aged Care; Social Programmes**

“Dress a Child” campaign is a programme by the municipality aimed at providing school uniforms to scholars without proper or any uniforms.

Community Services Unit incubated 10 ECD centres that fall within the charitable and empowering orientations. The main objective was to revamp the facilities by painting them with child friendly colours for identification purposes and to provide them with material support needed.

#### **Building Structure**

Painting was done for all 10 sites chosen in child friendly colors such as blue, red, yellow for identification of the site. Shelves were in the storage rooms for safe keeping of the food items purchased at the centre. Two facilities were provided with water tanks. Jungle gyms were installed and in some cases they were repaired depending on the need of the facility. The signage was also included which had the name of the crèche and the Municipal logo to clearly indicate that the structure belongs to the municipality.

#### **Impact**

The ECD centres were renewed to its maximum and could be identified at a distance as Early Childhood Centres.

### **Component E: Environmental Protection**

#### **3.14 Bio-diversity; landscape (Incl. Open Spaces); and other (EG Coastal Protection)**

Umzumbe Municipality in partnership with the Department of Environmental Affairs have worked hard in ensuring the implementation of goal 6 (response to climate change) of the Provincial Growth and Development Strategy through:

- Installation of sign boards
- Skip bins on strategic points
- Clearing out illegal dumping zones
- Recycling information
- Placement of bins on public areas schools, halls and street vendors
- Conducting information sessions



We do strive to improve the performance of the service we are rendering to the community.



**Photo: Waste Management Team (Ward 05)**

#### Environmental Management

There is a Bioregional Plan which was done for the KZN Region from KZN wild life.

- Air quality plan and study was conducted
- The Coastal Management Plan was conducted by the District
- (IWMP) was developed by the District
- Environmental Management Framework is near completion for the whole district.



**Photo: EPWP environmental management programme**

## Component F: Health

### 3.15 Clinics

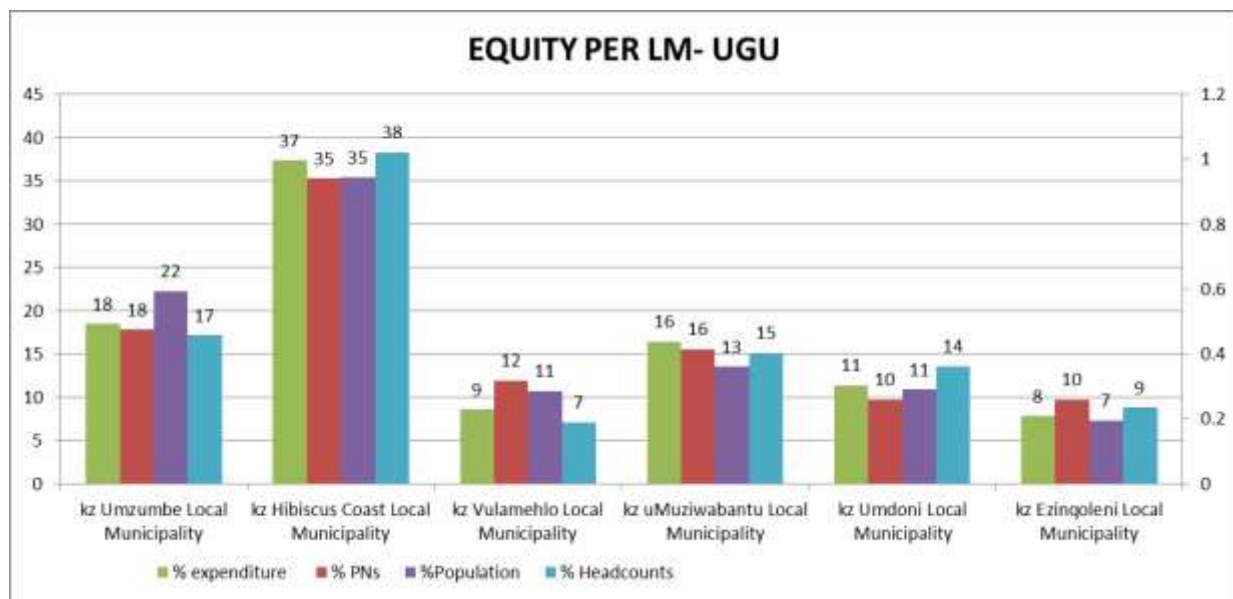
The Department of Health has furnished the municipality with the following information regarding clinics and health services. Umzumbe has the second largest share of the population of Ugu, but % headcounts is lower comparatively- Community using facilities in other LMs.

Low utilisation rate. The community of Umzumbe is sparse. This limits the access to the facility.

The % expenditure and PNs is marginally above the % headcounts. Umzumbe does not appear to be a pressure point in terms of equity.

Turton CHC is found within Umzumbe. There is increased utilisation (3.3) compared to the previous financial year (3.1).

Turton CHC has a low utilisation rate (3.3) compared to Gamalakhe CHC in Hibiscus (3.7) seeing as Turton CHC is complete and Gamalakhe CHC is in phase 1 of 3 in terms of implementation, this is of concern. The facility client satisfaction surveys have shown that long waiting times may be a root cause. The facility is to develop quality improvement plans in 2015/16 and implement and monitor routinely.





### 3.16 Ambulance Services

The table below indicates the current status of Ambulance Services within Ugu District as the service is shared by the 6 municipalities.

	Details	Year -2	Year -1	Year 0
		Actual No.	Actual No.	Estimate No.
1	Number of patients taken to medical facilities during the year	4202	4370	4229
2	Average time from emergency call to arrival at the patient - in urban areas	NA	NA	NA
3	Average time from emergency call to arrival at the patient - in rural areas	NA	NA	NA
4	Average time from emergency call to the transportation of patient to a medical facility - in urban areas	NA	NA	NA
5	Average time from emergency call to the transportation of patient to a medical facility - in rural areas	116 Minutes	108 Minutes	129 Minutes
6	No. ambulance	15	18	15
7	No. paramedics	153	144	147

### 3.17 Health Inspection; Food and Abattoir Licensing and Inspection;

The municipality is currently unable to perform the duties and functions relating to the section

#### Component G Security and Safety

### 3.18 Police

Umzumbe municipality currently has three police stations namely; St Faiths, Mehlomyama and Msinsini Police Station. The South African Police Services has indicated its intention to build an additional Police Station within the Municipality. The police station will assist in decreasing the crime rate and better accessibility to the community.

### 3.19 Fire

#### Firefighting Services

Umzumbe is in a process of establishing the Fire and Rescue Services Section, this came after the decision to withdraw from the Fire Fighting Shared Service Agreement that was between Umzumbe, Umdoni, Vulamehlo and UGU District. Currently there are two (2) vehicles (Truck and Skid Unit) that are used to respond to incidents that are reported. Two (2) firemen and (4) trainee fire fighters have been recruited and they are responding to incidents. Fire Fighting equipment (fire hose, chainsaws, bolt cutters, standpipes, PPE and BA sets) have been purchased.

### **3.20 (Disaster Management, Animal Licensing and Control, Control of Public Nuisances and other)**

#### **Disaster Management Section**

The Disaster Management Section has been able to accomplish all of the tasks set out to do in the financial year. The accomplishments are progressive with growth that gives projections of a section that has a great potential to establish itself as a unit. Programs that were implemented this year were a combination of community involvement and setting up systems for operations. The introduction of Fire Fighting Services is one of the highlights of this financial year. Below are the programs and projects that were implemented, successes and challenges met and how those were approached and dealt with.

#### **Programmes**

##### **Mitigation of Disasters in Municipal Events**

The section has a big role to play in ensuring safety of community, principals and fellow co-workers during events that are hosted by the municipality and also giving advice in events that are hosted by other stakeholders within the jurisdiction of Umzumbe municipality. The section develops disaster management, floor and security plans to ensure that the events are free from incidents.

The section participated in events such as Indigenous Music Festival, Youth Day, IDP and Budget Roadshows, Isicathamiya, Isivivane senkosi uShaka etc. It remains a gap that service providers are not knowledgeable or do not often adhere to the laws and regulations surrounding the services that they provide. They often do not comply with such regulations which poses a threat and deems the municipality vulnerable to lawsuits should incident occur. For an example, the erection of temporal structures (tents, marquees, stages, electric connections, etc.) requires that the service provider appoints an engineer who will assist those responsible for evacuation with important information relating to strength of the structure, wind notches, etc. Without this certificate the municipality stands to be sued should the structure collapse.

##### **Awareness Campaigns**

4 awareness campaigns were conducted this year. These were conducted at Mfimfitha, Mgayi (ward 12) and Zijubezulu ward 14 of Umzumbe. These were done strategically to highlight vulnerabilities of that particular area and what communities could do to either prevent or mitigate those risks. Disaster Management section plays a coordinating role and invited stakeholders who are competent in different fields that needed to be addressed.

##### **Stakeholders Advisory Forum**

Disaster Management Stakeholders' Advisory Forum is currently meeting on quarterly basis. Special meeting was convened to discuss and plan for the eventuality of Xenophobia attacks. This was because of the attacks that were reported in other parts of the province so Umzumbe had to assess and compile a preparedness plan. This year the section held the 4 standard Stakeholders Advisory Forum meetings. Stakeholders include the following departments (among others):

- Department of Human Settlement -
- Department of Transport
- Department of Health
- Department of Home Affairs
- KZN Wildlife
- SASSA
- Department of Social Development
- South African Police Services (SAPS)
  - Hibberdene
  - Msinsini
  - Mehlomnyama
  - St Faith's
  - Sawoti
- Red Cross
- Umzumbe Fire and Rescue Services
- District Disaster Management Centre -
- Provincial Disaster Management Centre
- Department of Education

#### Trainings

This year the section facilitated training for councillors on First Aid, this was conducted by BLM Medicals in August 2014 and certificates were issued. This training was implemented as a resolution taken during one of the Disaster Management Local Advisory Forum meetings, where it was raised as a gap that councillors as people who sometimes get to the scene of incident first should have been trained to assist.

#### Volunteer Program

The aim of this program was to broaden the manpower since the disaster management office is challenged. This program assists with the reporting of incidents that occur in our communities so as to make the stipulated 72 hours response time. The section recruited a total of 95 volunteers from different areas and wards of Umzumbe.

#### Responding to Disaster Incidents

Total of one hundred and twenty nine (129) cases were reported this year and 4 reported fatalities. Ninety two (92) structural fires that were caused by candles left unattended, illegal connection of electricity, lightning and some caught fire from veld fires. 23 houses were affected by either strong winds or heavy rainfall. There were 31 Motor Vehicle Accidents (MVA) that were responded to including other emergency incidents like fallen trees and house fires.

The section distributed One hundred and forty five (145) blankets, forty seven (47) food parcels, four (4) tents, four (4) rolls of plastic sheets and school uniform for children whose homes were affected by fires.

## Disaster Management Plan

This target was also met as the Disaster Management Plan was adopted by council in June 2015. This plan will assist in the implementation of projects that will respond to relevant risks that were assessed and confirmed.

## Challenges

### Mitigation of Disasters in Events

Events planning meeting are necessary in order to plan for events to avoid incidents and to make proper arrangements considering that there are other disaster management stakeholders e.g. police, health department etc. that have to be brought on board from planning stage up to the day of event.

### Understaffing and Resources

There are 4 key performance areas of Disaster Management (Institutional Capacity, Disaster Risk Reduction, Disaster Risk and Recovery and Public Awareness, Education, Training and Research), this means that work is still done below standard. The increased staff will only mean necessary focus is given to all areas they are equally important and complement each other to create a vibrant disaster management section.

### Resources

The section is dealing with emergencies e.g. fires, MVAs and other related incidents. The section also has a target of 72 hours response time that has to be met and this requires resources in a form of space, vehicles, etc. The unavailability of resources means the practitioner to wait until rain subsides so that assessments can be done. The lack of storage space also means that practitioner needs to collect relief material from Ugu Disaster Centre so that they can respond to affected families.

The fire fighters work shifts as most of the cases like MVAs happen at night. It becomes time consuming to call fire fighters from home to respond to emergencies. There is a need for park home to accommodate fire fighters during night shift and standby.

## **3.21 Sport and Recreation**

The Department of Sport and Recreation granted the municipality funding, to develop an outdoor gym in Mnamfu. The municipality begun the Sport field Upgrade programme for uMnamfu and eSibanini Sport Ground to be complete during the 2015/16 financial year. Phase 1 of Umzumbe Indoor Sport Centre begun in ward 18 during the 2015/16 financial year.

## **Component I: Corporate Policy Offices and Other Services**

### **3.22 Executive and Council**

The council identified objectives in the compilation of the 5 year Integrated development plan which aim;

- To solicit input and information towards the development of a credible 5 year IDP;
- To review the municipality's mission, vision and strategic objectives of the municipality in line

with government priorities;

- To align the IDP with local government's Turn Around Strategy and the service delivery agreement (outcome nine) and with other policy imperatives;
- To develop an IDP that factors in the rural context of Umzumbe and possible benefits of Government Rural Development Priority;
- To identify strategic focus areas for the next five years

The capital projects identified are aligned to the municipal strategic objective and government priorities. The Mhlabatshane Dam construction, Turton Beach development and Mathulini Mall development will improve access to clean water and job creation.

<b>Employees: The Executive and Council</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 0</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	21	26	21	5	10%
4 - 6	30	44	32	8	18%
7 - 9	11	17	14	1	6%
10 - 12	20	30	24	3	10%
<b>Total</b>	<b>82</b>	<b>117</b>	<b>91</b>	<b>17</b>	<b>15%</b>

### 3.23 Financial Services

#### Introduction Financial Services

In terms of section 62 of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality. The management of the municipal finances involves both a strategic and operational component. Strategically, the finances must be managed to accommodate fluctuations in the economy and the resulting changes in costs and revenues. Operationally, the municipality must put in place clear financial goals, policies and tools to implement its strategic plan.

The overall strategic plan is to ensure that there is transparency, accountability and sound financial management. Forming part of this plan are key performance areas such as: ensuring that all statutory reporting is compiled and submitted to the different spheres of government timeously, annual financial statements are prepared in accordance with GRAP and submitted on time, effective and efficient utilisation of financial resources, compliance to the Supply Chain Management Policy and the maintenance of assets effectively with respect to additions; disposals; impairments on the assets register.

Formed with a purpose to manage this strategic and operational component of municipal finance, the Financial Services Department is headed by the Chief Financial Officer and comprises the following sections:

- Expenditure & Assets
- Budget , Revenue & Treasury

- Supply Chain Management

Functions of the Financial Services Department:

*Expenditure & Assets* – The Manager: Income and Expenditure is responsible for salaries administration, creditor's management, VAT compliance, government grants administration, maintenance of assets and investments.

*Budget, Revenue & Treasury* – The Manager: Budget and Treasury is responsible for ensuring that budgets are prepared, budgets are effectively utilised, reporting to National treasury and other spheres of government and financial forecasting.

*Supply Chain Management* – The Manager: Supply Chain Management is responsible for the implementation of the Supply Chain Management policy and ensuring that the goods and services are procured in manner which are transparent, competitive, equitable, cost effective and fair.

The finance department has performed very well over the year and achieved 16 out of the 17 annual targets from the SDBIP. The budgets were compiled in compliance with regulations and was adopted by council within the stipulated timeframes. The annual financial statements were prepared in accordance with GRAP and was audited by the auditor general. The AG report commended the municipality on the preparation of the annual financial statement as they were free from any material misstatement. The municipality also received a clean audit. Key deadlines in terms of other reporting requirements were also met.

### 3.24 Human Resource Services

Introduction to Human Resource

Human Resource Section has prioritized Recruitment and selection and Training. For good results and compliance Workplace Skills Plan has been developed and adopted by council and was submitted to LGSETA on time. All job descriptions were reviewed and submitted to Job Evaluation Committee. Many employees and +councillors attended trainings and were awarded with certificates.

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	0	0	0	0	0
Waste Water (Sanitation)	0	0			0%
Electricity	0	0	0	0	0
Waste Management	1	2	1	1	50%
Housing	1	1	1	1	50%
Waste Water (Stormwater Drainage)	0	0	0	0	0%
Roads	6	6	6	0	100%
Transport	0	0	0	0	0%
Planning	3	3	3	0	100%
Local Economic Development	5	5	5	1	83%

Planning (Strategic & Regulatory)	3	3	3	0	100%
Local Economic Development					%
Community & Social Services	7	8	7	1	87%
Environmental Protection	0	0	0	0	0%
Health	0	0	0	0	0%
Security and Safety	0	0	0	0	0%
Sport and Recreation	0	0	0	0	0%
Corporate Policy Offices and Other	72	72	91	19	20%
<b>Totals</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Vacancy Rate: Year 0</b>			
<b>Designations</b>	<b>*Total Approved Posts No.</b>	<b>*Vacancies (Total time that vacancies exist using fulltime equivalents) No.</b>	<b>*Vacancies (as a proportion of total posts in each category) %</b>
Municipal Manager	1	0	0,00
CFO	1	0	0,00
Other S57 Managers (excluding Finance Posts)	3	0	0,00
Other S56 Managers (Finance posts)	0	2	66,7
Police officers	0	0	0,00
Fire fighters	2	0	0,00
Senior management: Levels 2-3 (excluding Finance Posts)	18	2	11.1%
Senior management: Levels 2-3 (Finance posts)	3	0	0,00%
<b>Total</b>	<b>26</b>	<b>4</b>	<b>0,00</b>

## Information Technology

Employees: ICT Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	2	2	2	0	0%

Capital Expenditure Year 0: ICT Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1780	1745	699	-155%	
Project A: Computer Equipment Maintenance	100	105	68	-47%	280
Project B: Licencing	350	350	259	-35%	150
Project C: IT Upgrade	340	300	184	-85%	320
Project D: Computer Equipment Procured	990	990	188	-427%	90

### 3.25 Component J: Miscellaneous

Due to the municipal area predominantly being rural, the Umzumbe Municipality is currently not at a state to fulfil the objectives under this section.





**Chapter 4: Organizational Development Performance**  
**Component A Introduction to the Municipal Personnel**

**4.1 Employee Totals, Turnover and Vacancies**

Employees					
Description	Year -1	Approved Posts	Year 0		
	Employees		Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	0	0	0	0	0
Waste Water (Sanitation)	0	0			0%
Electricity	0	0	0	0	0
Waste Management	1	2	1	1	50%
Housing	1	1	1	1	50%
Waste Water (Stormwater Drainage)	0	0	0	0	0%
Roads	6	6	6	0	100%
Transport	0	0	0	0	0%
Planning	3	3	3	0	100%
Local Economic Development	5	5	5	1	83%
Planning (Strategic & Regulatory)	3	3	3	0	100%
Community & Social Services	7	8	7	1	87%
Environmental Protection	0	0	0	0	0%
Health	0	0	0	0	0%
Security and Safety	0	0	0	0	0%
Sport and Recreation	0	0	0	0	0%
Corporate Policy Offices and Other	72	72	91	19	20%
<b>Totals</b>	<b>98</b>	<b>97</b>	<b>117</b>	<b>23</b>	<b>0</b>

**Component B: Managing the Municipal Workforce**

**4.2 Policies**

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1				
2				
3				
4				
5				
6				

7				
8				
9				
10				
11				
12				
13				
14				
15				
16				

#### 4.3 Injuries, Sickness and Suspensions

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)						
Skilled (Levels 3-5)						
Highly skilled production (levels 6-8)						
Highly skilled supervision (levels 9-12)						
Senior management (Levels 13-15)						
MM and S57						
Total						

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
0	0	0	0

#### 4.4 Performance Rewards

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0		
	Male	0	0		
Skilled (Levels 3-5)	Female	0	0		
	Male	0	0		
Highly skilled production (levels 6-8)	Female	0	0		
	Male	0	0		
Highly skilled supervision (levels 9-12)	Female	0	0		
	Male	0	0		
Senior management (Levels 13-15)	Female	0	0		
	Male	0	0		
MM and S57	Female	1	0		
	Male	4	0		
Total		5			

## **Component C: Capacitating the Municipal Workforce**

### **4.5 Skills Development and Training**

The Municipality saw an increase in the number of employees and councilors trained during the 2014/ 15 financial due to the appointment of a Skills Development Facilitator. The positive outcomes emanated from the adoption of the Skills Retention Policy which seeks to improve the skills levels of the employees and councilors.

#### **Component D: Managing the Workforce Expenditure**

##### **4.6 Employee Expenditure**

#### **Chapter 5 – Financial Performance**

#### **Component A: Statements of Financial Performance**

The municipality had a net surplus of R78 million (R76 million previous year) which was a significant increase. The net assets position showed a positive increase to R429 million from the previous year ( R351 million).Cash flows were strong as bank balances showed a positive sign and increased from R110 million from the previous year to R112 million for the current year. Expenditure was monitored and evaluated against budget accordingly. In addition all conditional grants were cash backed and conditional grants such as MIG, FMG and MSIG were fully spent. Taking into consideration the above factors, the municipality was in a very strong and healthy financial position.

## 5.1 Statements of Financial Performance

APPENDIX D1							
REVENUE	Approved	Adjustments	Final Budget (R)	Actual (R)	Variance (R)	Variance (%)	Explanation of Significant Variances greater than 10 %
	Budget (R)						
Property rates	4 157 557	-	4 157 557	5 787 993	1 630 436	39.2%	More properties were billed than anticipated.
Interest earned - external investments	4 500 000	2 829 091	7 329 091	8 269 793	940 702	12.8%	Surplus funds were invested for longer periods than anticipated. In addition interest rates achieved on investments were competitive
Government grants and subsidies	196 693 887	13 492 304	210 186 191	204 652 466	(5 533 725)	-2.6%	Not required
Other income	6 682 513	1 999 546	8 682 059	578 594	(8 103 465)	-93.3%	Roll overs of grants and utilisation of savings from prior years were included resulting in the increase. These funds were used for capital and operating purposes.
<b>Total revenue</b>	<b>212 033 957</b>	<b>18 320 941</b>	<b>230 354 898</b>	<b>219 288 846</b>	<b>(11 066 052)</b>	<b>-4.8%</b>	
EXPENDITURE	Approved	Adjustments	Final Budget (R)	Actual (R)	Variance (R)	Variance (%)	Explanation of Significant Variances greater than 10 %
	Budget (R)						
Salary/Remuneration related costs	53 029 927	350 000	53 379 927	50 115 927	(3 264 000)	-6.1%	Not required
Repairs & maintenance	11 920 030	0	11 920 030	8 422 700	(3 497 330)	-29.3%	Less repairs & maintenance was incurred than anticipated.
		-					
General & other expenses	89 947 000	(4 976 371)	84 970 629	82 390 427	(2 580 202)	-3.0%	Not required
<b>Total expenditure</b>	<b>154 896 957</b>	<b>(4 626 371)</b>	<b>150 270 586</b>	<b>140 929 054</b>	<b>(9 341 532)</b>	<b>-6.2%</b>	

Loss on disposal					-100 573			
NET SURPLUS FOR THE YEAR	57 137 000	22 947 312	80 084 312	78 259 219	(1 724 520)			



The financial performance was very favorable for the year. The municipality had a net surplus of R76, 5 million for the year and spent 92% of its operating expenditure budget.

## 5.2 Grants

<b>OPERATING GOVERNMENT GRANTS AND SUBSIDIES- ALLOCATION</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>
<b><u>National Grants Allocations</u></b>		
Equitable share	127 112 000.00	127 112 000.00
Municipal Systems Improvement Grant (MSIG)	930 000.00	930 000.00
Local Government Financial Management Grant (FMG)	1 800 000.00	1 800 000.00
Municipal Infrastructure Grant (MIG)	34 522 000.00	38 522 000.00
Disaster Management Grant	11 095 887.00	15 900 357.00
Integrated national Electrification Programme	12 000 000.00	13 719 745.00
Gazetted as Massification programme	8 000 000.00	8 000 000.00
Extended Public Works Programme	1 084 000.00	1 084 000.00
<b>Sub Total - National Grant Allocations</b>	<b>196 543 887.00</b>	<b>207 068 102.00</b>
<b><u>Provincial Grants Allocations</u></b>		
Maintenance Grant - Sport Facilities	150 000.00	150 000.00
Project Consolidate	-	99 885.00
GIS Grant	-	7 985.00
Low Cost Housing	-	538 858.00
Tourism Grant/Ntelezi Msane	-	-
KZN Sports	-	1 974 171.00
Scheme Support Programme	-	347 190.00
<b>Sub Total - Provincial Grant Allocations</b>	<b>150 000.00</b>	<b>3 118 089.00</b>
<b><u>Other Income</u></b>		
Interest from investments	4 500 000.00	7 329 091.38
Tender Sales/Hall hire & other Revenue	600 000.00	813 672.98
Rates Income	4 157 557.00	4 157 557.00
Internally generated funds	6 082 512.77	7 852 386.09
Waste Collection	-	16 000.00
<b>Sub Total - Other Income</b>	<b>15 340 069.77</b>	<b>20 168 707.45</b>
<b>TOTAL GRANT ALLOCATIONS</b>	<b>196 693 887.00</b>	<b>210 186 191.00</b>
<b>TOTAL OVERALL REVENUE</b>	<b>212 033 956.77</b>	<b>230 354 898.45</b>

### 5.3 Asset Management

Asset management forms an integral part in the municipality's ability to render service delivery.

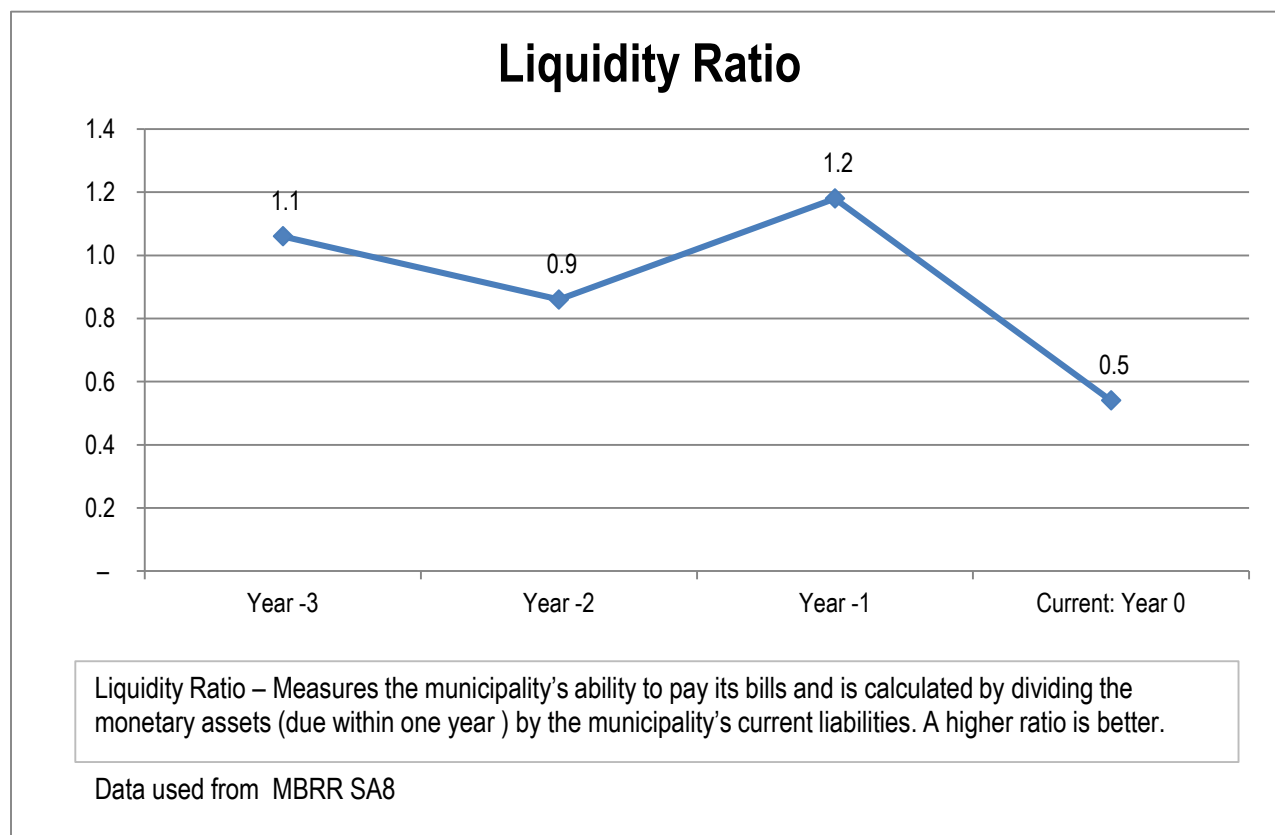
Assets management falls under the Expenditure and Assets unit within finance department. The municipality has an asset management policy in place which also incorporates elements of GRAP. The municipality compiled the fixed assets register for the 2015/16 financial year in accordance with GRAP. This formed part of the process of the annual financial statements preparation.

Repair and Maintenance Expenditure: Year 0				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	11920030	11920030	8422700	29%
T 5.3.4				

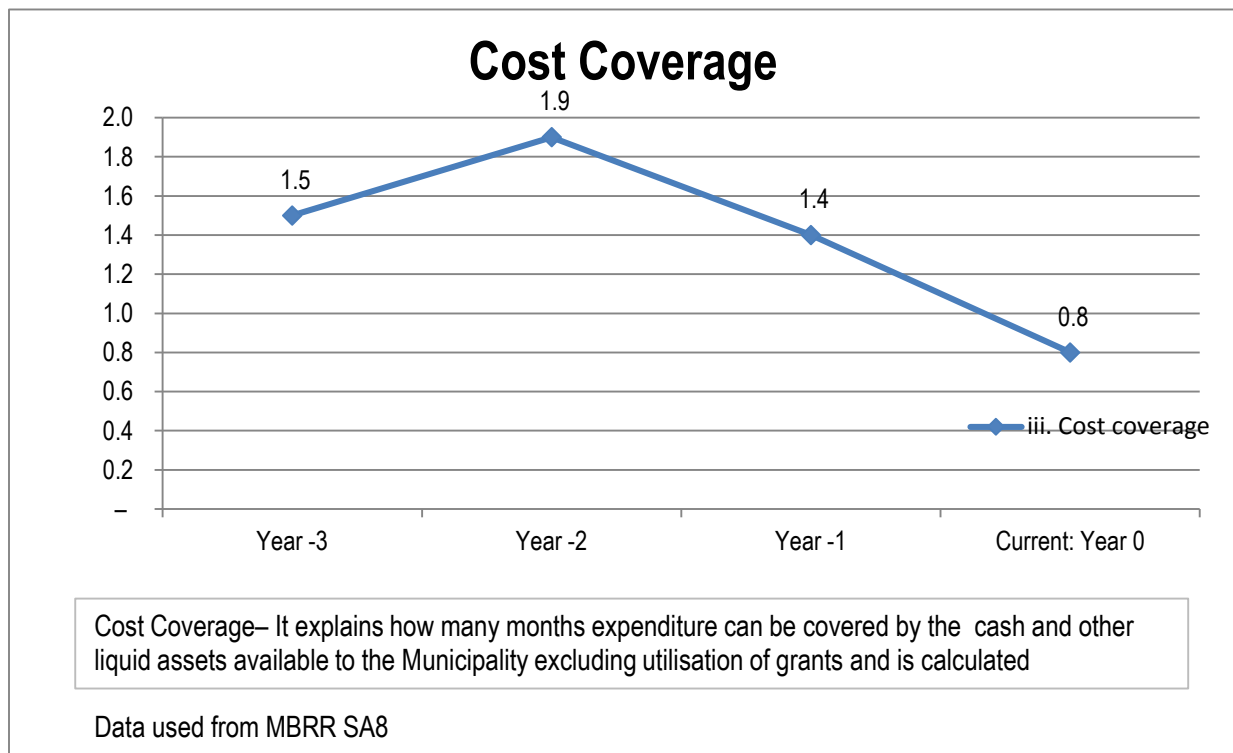
Less repairs and maintenance was incurred than anticipated due to the well serviced and good condition of plant and equipment.

### 5.4 Financial Ratios Based on Key Performance indicators

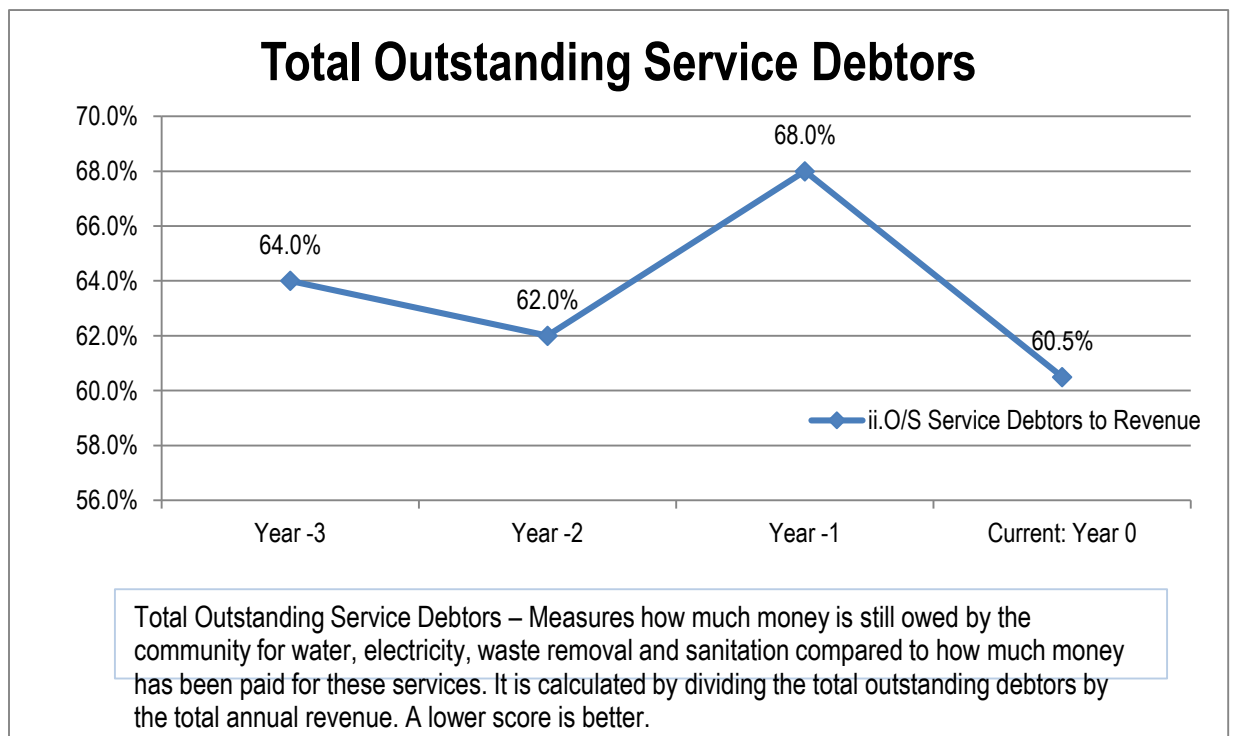
#### 5.4.1 Liquidity Ratio



#### 5.4.2 Cost Coverage



#### 5.4.3 Total Outstanding Service Debtors



#### 5.4.4 Debt Coverage

### **Component B: Spending Against Capital Budget**

#### **Introduction to Spending Against Capital Budget**

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses.

### **5.5 Capital Expenditure**

—

**5.6 Sources of Finance**

## 5.7 Capital Spending on 5 Largest Projects

Description/ Project name	Asset no	Contract number	Expenditure 2015
MASENTI ACCESS ROAD	AUC82	UMZ-41T-2013	7 501 798.03
NEW MUNICIPAL OFFICES - UMZUMBE	AUC94	UMZ-49T-2013	5 803 031.27
NTELEZI MSANI HERITAGE CENTRE - INFO CENTRE	AUC91	UMZ-64T-2015	5 724 126.95
UCC ACCESS ROAD	AUC83	UMZ-44T-2014	2 876 691.57
UMZUMBE INDOOR SPORTS CENTRE	AUC93	UMZ-48T-2014	19 832 894.40
			41 738 542.22

## 5.8 Basic Service and Infrastructure Backlogs – Overview

Introduction to Basic Service and Infrastructure Backlogs

Component C: Cash Flow Management and  
Investment Introduction to Cash Flow Management  
and Investment

Cash flow management is key to the sustainability of the municipality and its ability to provide services to the communities

## 5.9 Cash Flow

### Umzumbe Local Municipality

Annual Financial Statements for the year ended June 30, 2016

### Cash Flow Statement

Figures in Rand	Note(s)	2016	2015 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from Customers		3,635,007	3,296,330
Grants		201,572,550	179,843,916
Interest income		8,269,793	6,429,747
		<u>213,477,350</u>	<u>189,569,993</u>
<b>Payments</b>			
Finance costs		(65,000)	(46,000)
Cash Paid to Suppliers and Employees		(127,147,592)	(95,566,468)
		<u>(127,212,592)</u>	<u>(95,612,468)</u>
<b>Net cash flows from operating activities</b>	22	<u>86,264,758</u>	<u>93,957,525</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(73,563,696)	(75,182,925)
Proceeds from sale of property, plant and equipment	2	-	212,664
Purchase of other intangible assets	3	(274,084)	(359,953)
<b>Net cash flows from investing activities</b>		<u>(73,837,780)</u>	<u>(75,330,214)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>12,426,978</u>	<u>18,627,311</u>
Cash and cash equivalents at the beginning of the year		110,413,313	91,786,002
<b>Cash and cash equivalents at the end of the year</b>	7	<u>122,840,291</u>	<u>110,413,313</u>

The municipality's cash flow is monitored regularly showing a favorable liquidity position. As at 30 June 2015, the municipality had cash and cash equivalents of R 122 million.

### 5.10 Borrowing and Investment

#### Introduction to Borrowing and Investment

Borrowings are utilized to fund service delivery infrastructure by obtaining loans from registered financial institutions. Investments are utilized to earn interest on surplus funds for the municipality and serves as a form of revenue. The Municipality did not borrow funds during the year.

<b>Municipal and Entity Investments</b>			
	<b>R' 000</b>		
<b>Investment* type</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Year 0</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b><u>Municipality</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	9,600	9,600	9,600
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Municipal Entities</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Consolidated total:</b>	<b>9,600</b>	<b>9,600</b>	<b>9,600</b>
<i>T 5.10.4</i>			

The municipality holds investments amounting to R9, 6 million. Interest is earned at competitive rates. The municipality does not have any borrowings.

#### **5.11 Public Private Partnerships**

No public-private partnerships were entered into during the 2015/16 financial year.

### **Component D: Other Financial Matters**

#### **5.12 Supply Chain Management**

The municipality is using SAGE Evolution which functions as an enterprise resource planning system. This system has assisted in the facilitating of procurement processes such as electronic requisitions and orders. Separate files were opened for each tender which contained details of the contractor, evaluation and adjudication reports, payments details etc. The municipality has functioning bid committees i.e. Bid Specifications, Bid Evaluation & Bid adjudication. The evaluation and adjudication of the tenders was done accordingly within the prescripts of SCM regulations.

#### **5.13 GRAP Compliance**

As per section 122 and 126 of the MFMA, the municipality must for each financial year prepare annual financial statements which must be submitted by the 31 August to the Auditor General. The annual financial statements for the financial year 2015/16 was compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted by the 31 August deadline to the Auditor General.

### **Chapter 6 – Auditor General Audit Findings**

#### **Introduction**

According to the South African Constitution Section 188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

### **Component A: Auditor –General Opinion of Financial Statements Year 1**

#### **6.1 Auditor –General Reports Year – 1 (Previous Year)**

The municipality received a clean audit (unqualified audit with no other matters) for the previous financial year. The report was tabled to council together with corrective measures to address the audit findings.



## Component B: Auditor – General Opinion Year 0 (Current Year)

### 6.2 Auditor General Report Year 0

Awaiting Report for current years as this is still to be audited.

#### MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. In terms of section 71 of the MFMA, the municipality must by no later than 10 working days after the end of each month submit to the mayor and the relevant treasury monthly budget statements.

The monthly financial reports were prepared timeously and were submitted to the Executive Committee (Exco) and Treasury as well as other portfolio committees.

Signed (Chief Financial Officer)



Dated

#### Glossary

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other

		statements that may be prescribed.
<b>General performance indicators</b>	<b>Key</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>		The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>		All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	<b>Plan</b>	Set out municipal goals and development plans.
<b>National performance areas</b>	<b>Key</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>		The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>		The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>		Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>		Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>		The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>		The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a

	specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>
<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give " <i>full and regular</i> " reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe " <i>what we do</i> ".
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key</b>	After consultation with MECs for local government, the Minister may

<b>performance indicators</b>	prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.

<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

## Appendices

### Appendix A - Councillors; Committee Allocation and Council Attendance

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Cllr D K Msomi	PT	LLF/Community Services-ANC	Ward 1		
Cllr C S Ngwabe	PT	Housing-Independent	Ward 2		
Cllr M R Mqadi	PT	Housing-ANC	Ward 3		
Cllr S P Maluleka	PT	Planning-ANC	Ward 4		
Cllr S T Gumede	FT	EXCO/FBCC-ANC	Ward 5		
Cllr S E Radebe	PT	LED-ANC	Ward 6		
Cllr T L Peters	PT	Housing-ANC	Ward 7		
Cllr J P Mntambo	FT	Housing/EXCO-ANC	Ward 8		
Cllr M J Mkhize	PT	MPAC/LED-ANC	Ward 9		
Cllr T M Mbayi	PT	MPAC/LED/Youths-ANC	Ward 10		
Cllr N E Mhlangu	PT	FBCC/Youths-ANC	Ward 11		
Cllr K B M Mbhele	PT	FBCC-ANC (Deceased)	Ward 12		
Cllr S R Cele	PT	LED-ANC	Ward 13		
Cllr M S Mdletshe	PT	Community Services-ANC	Ward 14		
Cllr M P L Zungu	FT	Community Services/EXCO-ANC	Ward 15		
Cllr M Z Luthuli	PT	MPAC/FBCC-ANC	Ward 16		
Cllr P A Hlongwa	PT	Community Services-ANC	Ward 17		
Cllr O J Mbambo	PT	Housing-ANC	Ward 18		
Cllr A E Zindela	PT	Planning-ANC	Ward 19		
Cllr N Y Mweshe	FT	EXCO/LED-ANC	Party represented		
Cllr S R Ngcobo	FT	Ex-Officio Youth/Council-ANC	Party represented		

CLlr N Caluza	PT	Community Services-ANC	Party represented		
CLlr M P Shozi	FT	Planning/EXCO-ANC	Party represented		
CLlr M A Sikhosana	PT	Housing-ANC	Party represented		
CLlr IB Mbhele	PT	FBCC-ANC	Party represented		
CLlr C L Shezi	PT	Planning-ANC	Party represented		
CLlr D Z Shozi	PT	Planning-ANC	Party represented		
CLlr L M R Ngcobo	PT	Community Services-DA	Party represented		
CLlr T M Khuzwayo	PT	MPAC-IFP	Party represented		
CLlr BM Caluza	PT	Youth/Planning-IFP	Party represented		
CLlr A N Mbuthu	PT	Housing-NFP	Party represented		
CLlr B N Shozi	PT	LED-NFP	Party represented		
CLlr Y L Duma	FT	FBCC/EXCO-NFP	Party represented		
CLlr M Ndlovu	FT	Youth/Recess Planning/EXCO-NFP	Party represented		
CLlr M C Hlongwa	PT	FBCC-NFP	Party represented		
CLlr T S Khuzwayo	PT	Planning-NFP	Party represented		
CLlr S Lushaba	PT	MPAC/LED-NFP	Party represented		
CLlr KS Doncabe	PT	Community Services	Party represented		
CLlr P Zamisa	PT	ANC	Ward 12		
CLlr EB Qumbisa	PT	Planning	Party represented		
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i> T A					

## Appendix B – Committees and Committee Purposes

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
<b>MPAC</b>	Help Council to hold executive and the municipal administration to account and ensure the efficient and effective use of municipal resources.
<b>Council</b>	<ul style="list-style-type: none"> <li>• Adoption of policies, strategies, plans and by laws.</li> <li>• Council play oversight role on implementation of resolutions taken.</li> <li>• Hold the municipal manager accountable for all actions taken.</li> <li>• Responsible for employment of section 54 and 56 employees</li> </ul>
<b>EXCO</b>	<p>Ensures that the municipality;</p> <ul style="list-style-type: none"> <li>• Provides democratic and accountable government for the community of Umzumbe.</li> <li>• Promotes social and economic development</li> <li>• Promotes health and safety environment.</li> <li>• Provides services in a sustainable manner to the community of Umzumbe.</li> <li>• Ensures that administration, budgeting and planning process of the municipality meet the requirements of Section 153 (a) of the Constitutions.</li> <li>• Oversees the execution of national and provincial functions performed by municipality in accordance with funds provided by relevant government.</li> <li>• It comprises of seven Councillors including the Mayor and Deputy Mayor.</li> <li>• It reviews and identifies community needs in order of priority.</li> <li>• Managing the drafting of IDP, Budget and SDBIP and submit to full Council for adoption.</li> <li>• Refers decisions to Council with or without resolutions.</li> <li>• Evaluate progress against performance indicators.</li> </ul>
<b>Community Services</b>	<p>The object of the Community Services Committee is to assist the Executive committee to promote a healthy environment by:</p> <ul style="list-style-type: none"> <li>• Advising on legislation, prevention and enforcement mechanisms, which are within the financial and administrative capacity of the municipality;</li> <li>• Overseeing the enforcement of municipal bylaws and other applicable laws by municipal employees and functionaries in order to ensure that municipal employees and functionaries involved in law enforcement are accountable to a democratically elected body;</li> </ul>



	<ul style="list-style-type: none"> <li>• Overseeing certain municipal services, including health, cultural, cleansing and maintenance services; and</li> <li>• To pay attention to educational and welfare services in general as they apply to the entire municipality.</li> </ul>
<b>Development Planning</b>	<b>Objectives</b> <ul style="list-style-type: none"> <li>• Encourage the involvement of the entire municipal community, its bodies; stakeholders and institutions in matter of local government.</li> <li>• Participate in National and Provincial programmes</li> <li>• Promote the implementation of Integrated Development Plan (IDP)</li> <li>• Consider reports to EXCO for preparations of Land Use Management Plan, subdivisions of land; PMS etc.</li> <li>• Planning Committee may consider all matters of a policy nature.</li> </ul>
<b>Human Settlements</b>	Municipality is in the process of developing terms of reference
<b>LED &amp; Infrastructure</b>	<ul style="list-style-type: none"> <li>• Promotes the implementation of LED and IDP.</li> <li>• Assists in providing funding for local business services centers.</li> <li>• Promotes local economic development programmes.</li> <li>• Oversees rendering of services in historically disadvantaged areas.</li> <li>• Consults with traditional Leaders on matters of the economic development.</li> <li>• Report to EXCO.</li> <li>• Consist of seven members</li> </ul>
<b>FBCC</b>	<ul style="list-style-type: none"> <li>• Has two departments reporting to it i.e. Finance and Corporate Services.</li> <li>• Administers the capital and operational budget of the municipality.</li> <li>• Advises the EXCO on all legislation relating to billing, rating and taxation; insurance, banking and investments; grants in aid etc.</li> <li>• Oversees Financial Statements, general financial reporting;</li> <li>• Advises EXCO on obtaining proper legal services for the municipality; acquisition and provision of municipal office; implementation and maintenance of an approved maintenance system.</li> <li>• Comprises of seven members.</li> </ul>
<b>Youth Committee</b>	Municipality is in the process of developing terms of reference
<b>LLF</b>	As per SALGA Bargaining Council

### Appendix C – Third Tier Administrative Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager's Office	Ms N.C. Mgijima
Financial Services	Mr K. Audan
Corporate Services	Mr B.G. Nyuswa
Technical Services	Mr S.S. Phakathi
Social Development and Community Services	Vacant Post

### Appendix D – Functions of Municipality /Entity

Municipal / Entity Functions			
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)	
<b>Constitution Schedule 4, Part B functions:</b>			
Air pollution	No (District Function)		
Building regulations	Yes		
Child care facilities	Yes		
Electricity and gas reticulation	No (ESKOM Function)		
Firefighting services	Yes (Shared Services)		
Local tourism	Yes (Shared Services)		
Municipal airports	No (District Function)		
Municipal planning	Yes		
Municipal health services	No		
Municipal public transport	No (District Function)		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes		
Stormwater management systems in built-up areas	Yes		
Trading regulations	Yes		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No (District Function)		
Beaches and amusement facilities	Yes Billboards		
and the display of advertisements in public places	Yes Cemeteries,		
funeral parlours and crematoria	Yes		
Cleansing	Yes		
Control of public nuisances	Yes		
Control of undertakings that sell liquor to the public	Yes Facilities		
for the accommodation, care and burial of animals	Yes		

Fencing and fences	Yes	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes (Shared Services)	
Municipal abattoirs	Yes (Shared Services)	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	No	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes (Shared Services)	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
<b>* If municipality: indicate (yes or No); * If entity: Provide name of entity</b>		
T D		

#### Appendix E – Ward Reporting

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members		Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr D K Msomi		yes	10		Nil
	Mkhungo	Sindi				
	Cele	Pretty				
	Ngwazi	Joshua				
	Ndimande	Mkhanyiseni				
	Ngcobo	Nomvume				
	Cele	Squnga				
	Zamisa	Melzina				
	Zondo	Mthethi				
	B E	Dlamini				
	Khwela	Gladys				
2	Cllr C S Ngwabe		yes	10	10	Nil
	Cele	Sabelo				
	Lushaba	Nomusa				

	Ngwabe	Nomcebo				
	Shabane	Mndeni				
	Dlamini	Robert				<i>T E</i>
	Lukhozi	Stanford				
	Shabane	Maswazi				
	Faya	Nobuhle				
	Cele	Nomfundo				
	Madlala	Mandisa				
3	Cllr M R Mqadi		yes	10	10	Nil
	Mncibi	Ayanda				
	Mthembu	Buyisile				
	Dlamini	Sipho				
	Sbusiso	Dlungwana				
	Nkontwana	Vuyelwa				
	Nxele	Nonkanyiso				
	Majola	Simon				
	Makhoba	Nozipho				
	Mthembu	Mzwakhe				
	Dlungwana	Mzomuhle				
4	Cllr S P Maluleka		yes	10	10	Nil
	Dlamini	Moses				
	Nxumalo	Proffessor				
	Msomi	Nonkazimulo				
	Ndlovu	Samuel				
	Ngcobo	Qinisile				
	Phungula	Nomusa				
	Ngubane	Patric				
	Lushaba	Petros				
	Mchunu	Noxolo				
	Dlamini	Mthunzi				
5	Cllr S T Gumede		yes	10	10	Nil
	Mthethwa	Nonhlanhla				
	Luthuli	Ncamsile				
	Cele	Zandile				
	Mdabe	Mduduzi				
	Nzama	Busisiwe				
	Khomo	Ntombizodwa				
	Gasa	Gerald				
	Mbhele	Thembisile				
	Mhlongo	Thulisile				
	Hlongwa	Dakaza				
6	Cllr S E Radebe		yes	10	10	Nil

	Mboma	William				
	Shezi	Zwelonke				
	Mncibi	Nokuthula				
	Dlamini	Mathi				
	Mbhele	Nqobile				
	Mthimkhulu	Sandile				
	Dlamini	Bazibile				
	Mhlungu	Zibonele				
	Mbhele	Sandile				
	Gumbi	Zandile				
7	Cllr T L Peters		yes	10	10	Nil
	Ngcobo	Nokubonga				
	Nzama	Sfiso				
	Ngubo	Nonceba				
	Nkontwana	Gabisile				
	Caluza	Sphamandla				
	Mkhwanazi	Nofading				
	Sishi	Zwanani				
	Dlamini	Philisiwe				
	Mntambo	Nompumelo				
8	Cllr P Mntambo		yes	10	10	Nil
	Luthuli	Zethu				
	Dlamini	Thulisile				
	Mkhize	Phumzile				
	Cele	Sphiwe				
	Shezi	Stephan				
	Biyase	Mandlenkosi				
	Dingila	Makhosazana				
	Khumalo	Sizwe				
	Ngcobo	Bhekinkosi				
	Chamane	Bhekanzama				
9	Cllr M J Mkhize		yes	10	10	Nil
	Gumede	Zola				
	Mjwara	Lindiwe				
	Mkhize	Bheko				
	Mchunu	Fikile				
	Hlongwa	Shloniphiwe				
	Hlongwane	Qobizitha				
	Mnganga	Sandile				
	Dlamini	Lucia				
	Cele	Lungisani				
10	Cllr T M Mbayi		yes	10	10	Nil

	Gambushe	Zodwa				
	Doncabe	Vukuthu				
	Phewa	Thembani				
	Gasa	Ziph				
	Gumede	Zwelisha				
	Blankenberg	Terry				
	Makhathini	Dudu				
	Shazi	Sizani				
	Khomo	Philip				
	Nzimande	Msawenkosi				
11	Cllr N E Mhlangu		yes	10	10	Nil
	Mkhize	Thumani				
	Zama	Sandile				
	Gumede	Thobeleni				
	Gumede	Mduduzi				
	Shozi	Thobisile				
	Ndlovu	Ntombifuthi				
	Gumede	Dolly				
	Duma	Ayanda				
	Nyuswa	Thandazile				
12	Cllr P Zamisa		yes	10	10	Nil
	Mnguni	Petros				
	Mthimkhulu	Fisani				
	Mtolo	Mavis				
	Khumalo	Bonosiwe				
	Doyisa	Japhet				
	Shozi	Nomathemba				
	Ngidi	Bhekizwe				
	Sawoni	Celiwe				
	Shazi	Sphelele				
	Mnguni	Isaac				
13	Cllr S R Cele		yes	10	10	Nil
	Ngcobo	Gugu				
	Khawula	Bonakele				
	Jeza	Lungisa				
	Nyuswa	Nkosinathi				
	Nyuswa	Bongiwe				
	Duma	Dumsani				
	Mjoka	Fakazile				
	Mkhungo	Philisile				
	Mnguni	Phumlile				
	Chili	Mthobisi				

14	Cllr M S Mdletshe		yes	10	10	Nil
	Shozi	Clementia				
	Shinga	Beauty				
	Doncabe	Philisiwe				
	Gumede	Johana				
	Meleni	Bhengu				
	Mlitwa	Pinky				
	Msimango	Msawenkosi				
	Gumede	Syabonga				
	Mbele	Philisiwe				
	Madlala	Zandile				
15	Cllr M P L Zungu		yes	10	10	Nil
	Khawula	Thoko				
	Shezi	Ntombikhona				
	Mbayi	Sibusiso				
	Shabane	Robert				
	Gambushe	Bhoyi				
	Msani	Sindi				
	Gumede	Khanyisile				
	Shabane	Egnes				
	Ngcece	Shadrack				
	Cele	Siyakhula				
16	Cllr M Z Luthuli		yes	10	10	Nil
	Gumede	Nomusa				
	Mhlongo	Sindi				
	Lindiwe	Khumalo				
	Ngcobo	Bongani				
	Shozi	Bhekuyise				
	Zwane	Sbongile				
	Khuluse	Nontokozo				
	Mlita	Bheki				
	Msimango	Duduzile				
	Khambule	Dudu				
17	Cllr P A Hlongwa		yes	10	10	Nil
	Vumeleni	Shazi				
	Hlongwane	Philisiwe				
	Malunga	Nonhlanhla				
	Sengane	Bheki				
	Mkhize	Richard				

	Myende	Lindiwe				
	Nguse	Ntokozo				
	Jeza	Ntokozo				
	Mkhize	Sipho				
	Khwela	Winnie				
18	Cllr O J Mbambo		yes	10	10	Nil
	Dlamini	Thulani				
	Zamisa	Thulani				
	Nxumalo	Bhekani				
	Nokulunga	Shinga				
	Luthuli	Dphney				
	Hadebe	Thandazile				
	Mchunu	Philani				
	Nyawo	Thozza				
	Luthuli	Xolisile				
	Msomi	Albert				
19	Cllr A E Zindela		yes	10	10	Nil
	Chiliza	Gesi				
	Mlotshwa	Sakhephi				
	Jeza	Robert				
	Nzama	Nhlanhla				
	Mkhize	Ntokozo				
	Xulu	Bonginkosi				
	Duma	Nonhlanhla				
	Khomo	Doris				
	Jeza	Thuthukani				
	Mkhize	Amos				

#### Appendix F – Recommendations of the Municipal Audit Committee Year 0

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
23 August 2016	See the attached minutes	Yes
T G		



## Appendix g: audit committee meetings

## Appendix h – Revenue Collection Performance by Vote and by Source

REVENUE	Approved budget (R')	Adjustments (R')	Final Budget (R')	Actual (R')
Property rates	4 157 557	-	4 157 557	4 975 846
Interest earned - external investments	3 200 000	1 250 000	4 450 000	6 429 747
Government grants and subsidies	155 194 000	32 176 558	187 370 558	179 053 070
Other income	4 545 385	15 006 106	19 551 491	1 996 815
<b>Total revenue</b>	<b>167 096 942</b>	<b>48 432 664</b>	<b>215 529 606</b>	<b>192 455 478</b>

### Appendix I (ii) Revenue Collection Performance by Source

REVENUE	Approved Budget (R)	Adjustments	Final Budget (R)	Actual (R)	Variance (R)	Variance (%)	Explanation of Significant Variances greater than 10 %
Property rates	4 157 557	-	4 157 557	4 975 846	818 289	19.7%	More properties were billed than anticipated.
Interest earned - external investments	3 200 000	1 250 000	4 450 000	6 429 747	1 979 747	44.5%	Surplus funds were invested for longer periods than anticipated. In addition interest rates achieved on investments were competitive
Government grants and subsidies	155 194 000	32 176 558	187 370 558	179 053 070	(8 317 488)	-4.4%	Not required
Other income	4 545 385	15 006 106	19 551 491	1 996 815	(17 554 676)	-89.8%	Roll overs of grants and utilisation of savings from prior years were included resulting in the increase. These funds were used for capital and operating purposes.
<b>Total revenue</b>	<b>167 096 942</b>	<b>48 432 664</b>	<b>215 529 606</b>	<b>192 455 478</b>	<b>(23 074 128)</b>	<b>-10.7%</b>	
EXPENDITURE	Approved Budget (R)	Adjustments	Final Budget (R)	Actual (R)	Variance (R)	Variance (%)	Explanation of Significant Variances greater than 10 %
Salary related costs	47 691 558	-	47 691 558	45 129 001	(2 562 557)	-5.4%	Not required
Repairs & maintenance & depreciation	18 570 000	3 405 584	21 975 584	18 049 604	(3 925 980)	-17.9%	Less repairs & maintenance was incurred than anticipated.
Community Participation	1 900 000	264 943	2 164 943	2 149 652	(15 291)	-0.7%	Not required
General & other expenses	43 408 000	7 576 665	50 984 665	47 717 694	(3 266 971)	-6.4%	Not required
<b>Total expenditure</b>	<b>111 569 558</b>	<b>11 247 192</b>	<b>122 816 750</b>	<b>113 045 951</b>	<b>(9 770 799)</b>	<b>-8.0%</b>	

Loss on disposal	-2 886 641			
NET SURPLUS FOR THE YEAR	<u>55 527 384</u>	<u>37 185 472</u>	<u>92 712 856</u>	<u>76 522 886 (13 303 329)</u>

## Appendix J – Conditional Grants Received: Excluding MIG

CONDITIONAL GOVERNMENT GRANTS AND SUBSIDIES-ALLOCATION	Current Year 2014-2015		
	Approved Budget	Adjusted Budget	Full Year Forecast
<b>National Grants Allocations</b>			
Municipal Systems Improvement Grant (MSIG)	934 000.00	934 000.00	934 000.00
Local Government Financial Management Grant (FMG)	1 800 000.00	1 800 000.00	1 800 000.00
Intergrated national Electrification Programme	6 000 000.00	11 025 195.51	11 025 195.51
Extended Public Works Programme	1 020 000.00	1 020 000.00	1 020 000.00
Municipal Disaster Recovery Grant	10 730 839.15	10 730 839.15	10 730 839.15
<b>Sub Total - National Grant Allocations</b>	<b>20 484 839.15</b>	<b>25 510 034.66</b>	<b>25 510 034.66</b>
<b>Provincial Grants Allocations</b>			
Infrastructure - Sport Facilities	2 250 000.00	1 725 000.00	1 725 000.00
Project consolidate		99 884.62	99 884.62
GIS Grant		7 984.85	7 984.85
Low cost Housing		533 953.00	533 953.00
Ntelezi Msane		578 619.65	578 619.65
KZN Sports		475 584.80	475 584.80
Scheme Support Programme	500 000.00	500 000.00	500 000.00
Tourism grant	4 000 000.00	4 000 000.00	4 000 000.00
<b>Sub Total - Provincial Grants Allocations</b>	<b>6 750 000.00</b>	<b>7 921 026.92</b>	<b>7 921 026.92</b>
<b>TOTAL CONDITIONAL GRANT ALLOCATIONS</b>	<b>27 234 839.15</b>	<b>33 431 061.58</b>	<b>33 431 061.58</b>

## Appendix L – Capital Expenditure – Upgrade / Renewal Programme

	2015				2014		
	Cost /Valuation	Accumulated depreciation and accumulated impairment	Carrying value		Cost /Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Dwellings	942 675.78	-409 376.59	533 299.19		942 675.78	-308 377.59	634 298.19
Non-Residential Dwellings	55 699 100.65	-16 364 886.11	39 334 214.54		58 677 632.92	-14 408 472.34	44 269 160.58
Roads	149 854 723.32	-34 793 450.46	115 061 272.86		118 145 761.70	-24 356 982.80	93 788 778.90
Solid Waste Disposal	265 543.73	-51 239.26	214 304.47		234 043.73	-31 393.12	202 650.61
Machinery and Equipment	14 503 717.18	-1 597 966.66	12 905 750.52		9 309 064.19	-1 133 918.26	8 175 145.93
Furniture and Office Equipment	3 570 222.31	-1 972 458.22	1 597 764.09		3 004 325.77	-1 790 396.54	1 213 929.23
Computer Equipment	2 121 321.67	-1 303 510.73	817 810.94		1 933 120.18	-1 089 429.99	843 690.19
Transport Assets	6 244 732.59	-1 509 233.48	4 735 499.11		3 699 828.76	-1 087 844.77	2 611 983.99
Assets Under Construction	77 063 970.06	-	77 063 970.06		43 127 076.67	-	43 127 076.67
Computer Software	703 676.78	-247 966.89	455 709.89		346 180.26	-162 883.83	183 296.43
<b>TOTAL</b>	<b>310 969 684.07</b>	<b>-58 250 088.40</b>	<b>252 719 595.67</b>		<b>239 419 709.96</b>	<b>-44 369 699.24</b>	<b>195 050 010.72</b>

Asset category	Total additions	Approved budget	Adjustments	Final Budget
	R	R	R	R
Machinery & equipment	4 872 738	6 500 000	-	6 500 000
Furniture and Office Equipment	725 083	500 000	500 000	1 000 000
Computer Equipment & software	604 150	300 000	387 985	687 985
Transport Assets	2 512 879	2 675 493	-	2 675 493
Roads & other infrastructure	66 828 028	45 551 891	36 297 486	81 849 378
<b>TOTAL</b>	<b>75 542 878</b>	<b>55 527 384</b>	<b>37 185 471</b>	<b>92 712 855</b>

#### Appendix M – Capital Programme by Project Year 0

Description/ Project name	Contract number	Status of Project (WIP/ Completed?)	Completion Date / Expected Completion Date	Completion Certificate for Completed projects (Yes/No ?)	Expenditure 2015
Bhunwini Access Road	UMZ-24T-2013	Practical Completion	2015-05-13	Yes	1 315 478.97
Emaplazini Access Road	UMZ-43T-2014	Completed - 2015	2015-04-24	Yes	921 154.61
Emashembeni Access Road		Planning			442 085.07
Esibanini Sports Field	UMZ-51T-2014	WIP			914 004.94
Esihlabeni Access Road	UMZ-38T-2013	Completed - 2015	2015-03-13	Yes	1 159 497.79
Gwalagwala Access Road		WIP			258 610.69
Isigubho Access Road	UMZ-45T-2014	Completed - 2015	2015-04-24	Yes	1 312 846.04
Isipofu Access Road		WIP			442 791.57
Jiba Access Road		WIP			-

Mabheleni Access Road		WIP			2 011 361.15
Magabha Access Road		WIP			1 492 475.70
Magistrate Access Road		WIP			256 991.91
Mahwaqa Access Road		WIP			73 991.12
Makhosa Access Road	UMZ-26T- 2013	Completed - 2015	2014-08-11	Yes	1 023 206.74
Maluukhakhe Access Road	UMZ-02T- 2012	WIP			-
Manoka Access Road		WIP			-
Masenti Access Road	UMZ-41T- 2013	Completion In 2016			7 501 798.03
Mevana Access Road		Planning			555 708.07
Mfazazane Access Road		WIP			-
Mkhize Access Road		WIP			-
Mpelazwe Access Road	UMZ-22T- 2013	Completed - 2015	2014-07-24	Yes	742 550.26
Mpisane Access Road		WIP			-
Mqangqala Access Road		WIP			-
Mshizela Access Road		Planning			1 089 753.52
Msontini Access Road	UMZ-42T- 2014	Completed - 2015	2015-04-17	Yes	2 714 799.51
Mthin'owomile Access Road		Planning			378 992.86
Mtumaseli Access Road		Planning			150 000.00
Ncapheni Access Road		WIP			-
Ncazolo Access Road		WIP			-
New Municipal Offices - Umzumbe	UMZ-49T- 2013	Planning			5 803 031.27
Ntatshana Gravel Access Road And Bridge		Planning			1 881 755.25
Ntelezi Msani Heritage Centre - Info Centre	UMZ-64T- 2015	WIP			5 724 126.95
Okwakha Craft Market		WIP			-
Othandweni Access Road	UMZ-25T- 2013	Completed - 2015	2014-05-21	Yes	221 907.51

Sakhisizwe Bakery		WIP			-
Sgananda Access Road And Bridge		WIP			923 551.94
Siyakhula Access Road		WIP			-
Thami Zulu Access Road	UMZ-23T-2013	WIP			314 784.75
Ucc Access Road	UMZ-44T-2014	WIP			2 876 691.57
Umzumbe Indoor Sports Centre	UMZ-48T-2014	WIP			19 832 894.40
Mdletshe Access Road		WIP			1 306 900.90
Mnamfu Sportfield Paving	UMZ28126	WIP			198 400.00
Mnamfu Sportfield	UMZ-54T-2014	WIP			663 394.86
Upgrading Umzumbe Council Offices		WIP			-
Ward 17 MPCC Access Road		WIP			-
Zakhe Access Road	UMZ-36T-2013	Completed - 2015	2014-10-02	Yes	1 152 464.67
Ebhanoyini Community Hall	UMZ-09T-2012	Completed - Prior year	2013-11-08	Yes	-
Isivivane Access Road	UMZ-11T-2012	Completed - Prior year	2013-10-02	Yes	-
Mashazini Access Road	UMZ-12T-2012	Completed - Prior year	2013-07-26	Yes	-
Ndunge Access Road	UMZ-18T-2011	Completed - Prior year	2013-07-01	Yes	-
Mnafu Community Hall Burglar Bars					42 000.00
Mpcc Ward 7 Hall Burglar Bars					92 600.00
Kwanogoduka Sport Field - Burglar Bars					64 700.00
Municipal Offices - Burglar Bars					277 000.00
Skills Centre					68 837.93
St Faiths Hall - Burglar Bars					31 388.00
Ndumakude Hall - Burglar Bars					84 450.00

Mehlomnyama Community Hall - Burglar Bars					40 625.00
Rehabilitation Of Guquka Access Road					338 625.00
Esibanini Community Hall - Burglar Proofing					32 500.00
Qoloqolo Access Road	TURN-KEY PROJECT	Completed - Prior year	2013-09-09	Yes	-
					66 730 728.55

#### Appendix N – National and Provincial Outcomes for Local Government

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Electricity Connection	52%
	Water	33%
	Sanitation	67%
	Waste Collection	0%
	Housing	50,30%
Output: Implementation of the Community Work Programme	Policy in Place and implemented	
Output: Deepen democracy through a refined Ward Committee model	Functional	
Output: Administrative and financial capability	Policies reviewed and financial stable	
* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.		

T S



## **Volume II: Annual Financial Statement**

## **Umzumbe Oversight Report 2015/16**